



OVERSEAS NEWS

Reagan refuses to accept defeat on aid to Contras

BY REGINALD DALE, US EDITOR IN WASHINGTON

PRESIDENT Ronald Reagan is refusing to accept defeat in his intense personal struggle for US military aid for the anti-government Contra rebels in Nicaragua...

Nato nuclear cutback 'on target'

By Bridget Bloom in Wuerzburg

NATO NOW has fewer nuclear weapons in Europe than at any time for 20 years, Lord Carrington, the Alliance's secretary-general said here yesterday...

Manila seeks to block sanctuary for Marcos

BY SAMUEL SENOREN IN MANILA

THE GOVERNMENT OF President Corason Aquino will cut diplomatic ties with any country other than the US, which gives sanctuary to former President Ferdinand Marcos...

mission has been set up to recover assets held abroad by Mr Marcos and close friends said to have benefited immensely from connections with the deposed strongman...

investigation of Mr Aquino's murder. Initially, the committee, led by former Senator Jose Diokno, wants to know whether Mr Marcos ordered a whitewash of a court trial last year...



Marcos: no sanctuary

Four killed as Sikhs demonstrate in Punjab

By John Elliott in New Delhi

AT LEAST four people are believed to have been killed in the northern Indian state of Punjab yesterday at the end of a week of the worst riots and bloodshed in the area for more than six months...

Howe warns Athens over bases

BY ANDRIANA IERODIACONOU IN ATHENS

SIR GEOFFREY HOWE, the British Foreign Secretary, yesterday warned Dr Andreas Papandreu's socialist government against closing down the four American military bases in Greece for fear of jeopardising both Nato and Greek security...

US Secretary of State, Mr George Shultz, starting a 10-day tour of Europe yesterday, said he would press the Greek Government to decide if it intended to shut four key US bases in 1988, AP writes from Paris.

Sindona in coma after cyanide poisoning

By James Buxton in Rome

MR Michele Sindona, the bankrupt Italian financier, who was close to death in a severe coma yesterday, was officially confirmed to be suffering from cyanide poisoning. Doctors said he was being kept alive by artificial means.

Non-Opec producers hold out against output cuts

BY RICHARD JOHNS IN GENEVA

THE ORGANISATION OF Petroleum Exporting Countries and five other producers yesterday were trying to find a formal agreement which might convince the markets of their ability to restrain oil supplies and thus revive price levels.

South Africa massacres marked

BY ANTHONY ROBINSON IN JOHANNESBURG

DEMONSTRATIONS took place yesterday in all South Africa's major cities in commemoration of the Langa massacre and that in Sharpeville 26 years ago.

Malay economy misses goal

BY WONG SULONG IN KUALA LUMPUR

MALAYSIA'S fifth five-year plan (1986-90) has confirmed that the centrepiece of the Government's new economic policy—the 30 per cent Malay ownership of the corporate sector by 1990—will not be achieved.

China N-test pledge

CHINA will no longer conduct atmospheric nuclear tests, Premier Zhao Ziyang said yesterday at a rally marking the International Year of Peace, reports AP from Peking.

The New Personal Equity Plan: a tax-efficient equity investment.

Under this week's Budget proposals, from 1st January 1987 UK individuals can benefit by investing in UK shares up to a maximum of £2,400 per annum in a Personal Equity Plan (PEP).

Arafat blames US

Palestine Liberation Organisation (PLO) leader Mr Yasser Arafat said yesterday the US attitude made a peaceful solution to the Middle East conflict impossible.

Sabah tense after mosque arrests

MALAYSIA'S strife-torn eastern state of Sabah remained tense yesterday as police arrested more than 1,800 Muslim militants occupying a mosque and Chinese businessmen bitterly criticised their handling of the recent sectarian violence.

Europeans rebut US charges on Airbus

BY WILLIAM DULLFORCE IN GENEVA

WITHOUT the European Airbus there would be no true competition in the market for large civil aircraft, France, Britain and West Germany have told the US. Their riposte came during talks in Geneva about US charges that government support for the Airbus was violating fair trading practices.

The Europeans claimed that US manufacturers draw substantial benefits from a "combined aircraft" expenditure of \$47bn (£32bn) over the past 15 years by the US Defence and Transportation Departments and the National Aeronautics and Space Administration.

Malay economy misses goal

unemployment up to 10.1 per cent by 1990 from 7.6 per cent last year. The government is cutting back development spending by 8 per cent to just under US\$300m, with the biggest cutbacks of 37 per cent in defence and internal security to \$1,538m.

THE FINANCIAL TIMES will publish a Survey on INDUSTRIAL STANDARDS on April 23, 1986. For further details, please contact: MARK FISHER on 01-248 8000 ext 2399.

هلذا من أجل

Laws by decree hand a trump card to Mitterrand

BY DAVID HOUSEGO IN PARIS

THE ANNOUNCEMENT by Mr Jacques Chirac, the French Prime Minister, that he would put through enabling legislation to allow his government to adopt laws by decree is in line with a classic procedure of the Fifth Republic used by governments in a hurry or needing to adopt unpopular measures.

Mr Mitterrand's wishes over the appointment of the new foreign and defence ministers, and that, in return, Mr Mitterrand will sign decrees in the two areas where Mr Chirac is seeking enabling legislation.

At this stage the most that can be said is that Mr Mitterrand appears to have agreed to sign decrees in these two areas and that he would be thought to have acted in bad faith if he refused. But there is still no proof that he has agreed to sign all that is put before him.

Group gives warning of more bombs in Paris

By Nora Boutany in Beirut

A GROUP claiming to speak on behalf of political prisoners yesterday demanded the release of three activists detained in French jails and claimed responsibility for a bomb attack which killed two people in Paris.

Either freedom for George Ibrahim Abutallah, Farouq Ghabbour and the Lebanese Revolutionary Faction, or more bombs and victims in the streets of Paris, it said in a statement delivered to the offices of a Beirut-based foreign news agency.

Paul Betts reports on the terror challenge to France's new Government Harsh welcome for Chirac

MR JACQUES CHIRAC, the new French Prime Minister, was plunged yesterday into security crisis even before meeting his ministers at their first Cabinet meeting today.



Chirac (left) with his new Justice Minister Albin Chalandon

The atmosphere was one of sadness and anger outside the Point-Neuve arcade yesterday. Passersby stopped to look at repair workers cleaning up the debris around the site of the bombing and argued among themselves about the latest terrorist attacks in the capital.

"If the new Government fails to do something about the current terrorist situation, it will soon be out of office," said one Parisian standing beside the barriers set up by the gendarmes opposite the arcade and a cinema showing "Revolution" with Al Pacino.

"This Government will do no better than the previous Socialist lot. Le Pen on the other hand would put an end to all this by ordering checks on all foreigners and Arabs and, if their papers were not in order, kicking them out of the country."

appointed Mr Charles Pasqua, a man known for his tough attitudes on law and order as Interior Minister. His hard-line right-wing views—pure et dure as they say in France—had made him into one of the more controversial choices of the new Cabinet.

measures to those the Italian authorities have introduced in recent years to fight terrorism. These include greater police powers for searching and holding suspects.

The new Prime Minister is now bound to come under pressure from voters on his far right and the National Front. With 35 seats in the new Assembly and nearly 10 per cent of the national vote, the National Front of Mr Le Pen is likely to try to capitalise as much as possible from the latest wave of terrorism in France.

now play a pivotal role in the National Assembly where Mr Chirac's coalition of parliamentary right-wing forces has only a slim majority of three seats.

The latest events have immediately highlighted for the new Government France's complex relations in the Middle East. The Islamic fundamentalists are clearly seeking not only to free the Arab terrorists currently in prison in France, but to influence Paris's policies in the Middle East, especially its role as a key arms supplier to Iraq.

The timing of the terrorist bomb could not have come at a worse time for Mr Chirac. Anxious to try to make his experiment in "cohabitation" with President Mitterrand work and to boost his own presidential chances in 1988, Mr Chirac appeared above all keen to move swiftly on the economic aspects of his programme. But he has now been forced to turn his immediate attention to the security issue which has now inevitably become one of the main popular concerns in France.

Indeed, the bombing overshadowed the announcement of Mr Chirac's new Cabinet on Thursday evening. The new Prime Minister shortly afterwards went to the scene of the tragedy. To compound matters, it was soon learnt that another tragedy had nearly occurred in the Paris Metro system.

A passenger saw what he felt was a suspect bag under a seat in the subway. He threw it out of the window and avoided another bloodbath near the Paris town hall, where Mr Chirac has his headquarters as mayor of the capital.

Just as Mr Chirac had made a point of not making political capital out of the terrorist bombs, the Socialists yesterday reacted with sympathy and restraint to the terrorist ordeal now facing the new Government.

Guillaume storms into Brussels

BY IVO DAWNAY IN BRUSSELS

THE nomination of Mr Francois Guillaume, the firm union leader, as the new Minister of Agriculture, has been greeted with open-mouthed astonishment by the farming establishment in Brussels.

Rumours of the appointment had spread 24 hours before its official announcement. But few had believed that such a militant champion of the farm lobby would be given the necessarily delicate task of marrying French farmers' demands with the grisly economic reality that now besets the Common Agricultural Policy (CAP).

programmes of national income aids and an outright cry for help in the international market place against the US.

"The EEC ought to be prepared to support a trade war with the US so we can keep our market share," he said before calling for an end to all food imports, including the British beef, the New Zealand butter, and the abandonment of spending ceilings.

Perhaps not surprisingly, even firm advocates of the CAP in the Brussels Commission are more than a little nervous of the whirlwind now imposed on them by Mr Chirac. Many believe that the new Prime Minister made his choice on the grounds that Mr Guillaume was politically less dangerous on the inside.

sees he can't win, he will start renegeing the policy, even to the extent of ignoring the rules and paying grant aid to his farmers and blocking lamb imports from Britain and fruit and vegetables from Spain.

"It could become a kind of guerrilla war." The first round in this battle is likely to occur on Monday when the farm ministers meet for their first serious round of talks on the Commission's austerity price proposals.

Officials will then watch carefully to see if Mr Guillaume chooses to hold fire by exercising his undoubted charm, or whether he starts right away on his mission to clean out the Augean stables.

Portuguese deficit budget wins backing

By Diana Smith in Lisbon

PORTUGAL'S parliament has approved the 1986 budget presented by the minority Social Democrat Government. The budget has an Es 470bn (£1.62bn) deficit, caused almost exclusively by servicing an accumulated \$16bn (\$10.6bn) public debt.

Even before the Champs-Elysees bomb on Thursday evening, Mr Chirac had favoured bringing in similar

Mr Chirac yesterday condemned the "horrible, inhuman and bestial" bomb attack and pledged that the Government would reinforce measures to combat terrorism. He called for greater co-operation between western countries and suggested giving French police more facilities to tackle this crucial issue.

Mr Chirac in the past has favoured bringing in similar

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Table with 4 columns: Year ended 31 DECEMBER, M&G DIVIDEND, BUILDING SOCIETY, M&G DIVIDEND, BUILDING SOCIETY. Rows for 6 May '64, 1965, 1970, 1975, 1980, 1985.

Growth RECOVERY FUND

Table with 4 columns: Year ended 31 DECEMBER, M&G RECOVERY, FT. ORDINARY INDEX, RETAIL PRICE INDEX, BUILDING SOCIETY. Rows for 23 May '69, 1970, 1975, 1980, 1985.

Balanced SECOND GENERAL

Table with 4 columns: Year ended 31 DECEMBER, M&G SECOND, FT. ORDINARY INDEX, RETAIL PRICE INDEX, BUILDING SOCIETY. Rows for 5 June '56, 1960, 1965, 1970, 1975, 1980, 1985.

Further information on 19th March 1986 offered prices and estimated gross current yields were: Recovery Fund 352-3p, 451.6p, 2.96%; Dividend Fund 416-5p, 1203-3p, 4.76%; SECOND General 704-6p, 1374-7p, 3.50%.

NOTES All figures include reinvested income net of basic rate tax. The Building Society figures are based on an extra-interest account offering 12% above the average yearly rate (source: Building Societies Association). M&G Recovery figures are all realisation values.

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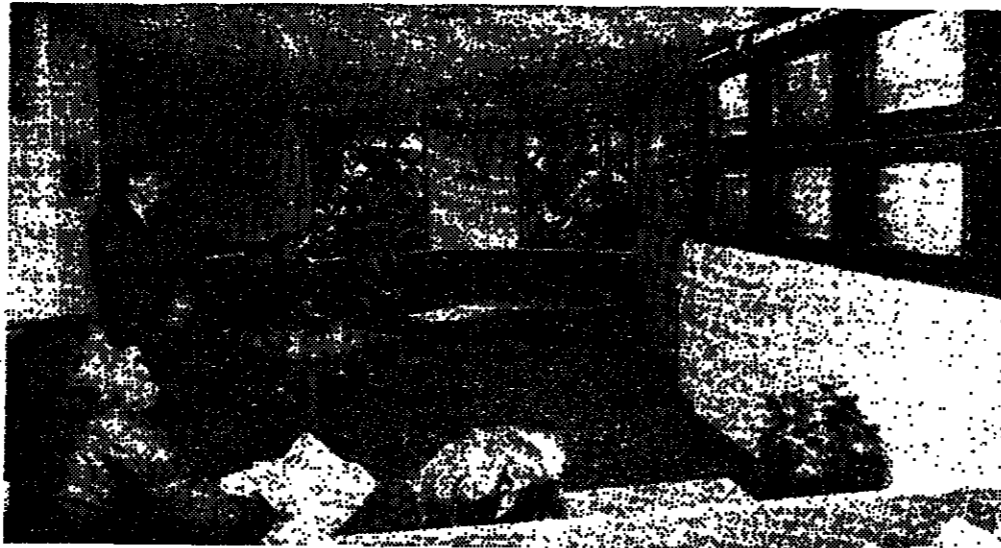
UK NEWS

Walter Ellis looks at the race between the top bookmakers to attract punters and upgrade their image

Betting shops gamble on TV coverage of racing

THE LINCOLN Handicap at Doncaster today is the first big horse race of the 1986 "Flat" and is set to launch the season in fine style. An outbreak of good weather would help, but almost anything, the industry feels, would be better than the Siberian-style cold that caused the cancellation of the entire racing programme in mainland Britain last month.

group, while do-it-yourself in the form of the Home Charm stores was this month added to its core activities at a cost of £200m. Whether or not betting remains as Ladbroke's central pillar depends on the development of the horse racing industry over the next few years. Amendments to the Betting, Gaming and Lotteries Act, which allow food and soft drinks to be served in betting shops as well as the screening of races, are likely to take bookmaking deeper into the heart of the leisure industry.



New-look betting shop decor at Ladbroke's High Street, Kensington, London branch

Hill number two in the field, which is trying to catch up with its larger rival in the race for improved facilities. Mecca, the smallest of the Big Four, with 640 shops mostly in London and Glasgow, points out that it has had "supershops" since 1982 and operates 250 with added comforts and 12-screen video and TV.

main revolutionary act. Everything else is gloss. Yet the problem with televised racing is that it is dependent on the BBC and Channel Four. When the network cameras are not there, the bookies' screens go blank.

to counteract this, the Big Four have established a new company, Satellite Racing Service. It will provide closed-circuit coverage of workaday meetings and, in an attempt to give the punters an image on which to focus their ambitions, will attend principal greyhound races. It is hoped that the service will start in the next six months, and other bookmakers—and even racecourse owners—are being encouraged to add to SRS's capital base.

be likely some hope for the industry's growth may lie elsewhere. In 1984, Ladbroke paid £28m for a chain of 529 betting shops in Belgium, adding to the 300 it already owned there and giving it some 50 per cent of the total Belgian market. This month, William Hill, part of Sears Holdings, announced that it too had taken the ferry to Ostend. It has paid an estimated £20m for 345 shops formerly owned by Tierce Franco-Belge and Generale Hippique. At home, the Big Four are optimistic about the coming Flat season. Some sensations are inevitable. One distinctly unprofitable gambler has already won £32,000 this year on a 5p bet with Coral. Last year, the aptly named Last Suspect romped home at 50-1 against a highly fancied top five in the Grand National. Equally, an excess of success could devastate attendances at meetings. The golden egg is nice; the goose that lays it is an investment in the future.

Courtaulds to shed at least 260 jobs on Merseyside

BY RONA THOMPSON

COURTAULDS, the textiles group, yesterday announced 260 redundancies at its St Helens children's wear factory on Merseyside and placed a question mark over the future of its Seaforth sports and children's wear factory near Liverpool which employs 220. The jobs in St Helens will go by the end of June, leaving a workforce of 382. The redundancies were blamed on falling orders. Despite strenuous efforts, it has proved impossible in a fiercely competitive market to secure sufficient business to maintain operations at St Helens at the present level, the company said yesterday. The local management has also called for a meeting on Tuesday with officials of the National Union of Tailors and Garment Workers to discuss improvements in working practices which it says "are essential to secure the survival" of the St Helens operation.

"Knowing what we do about the order books, there will be a need to close the factory," said Mr McDonald, but he stressed that the company was willing to listen to any sensible union suggestion that might result in continued employment on the site. "We are not presenting a fait accompli," he said. Mr Tom Evans, North West divisional officer of the National Union of Tailors and Garment Workers, said he viewed the Courtauld statement on the Seaforth unit as "a declaration of intent to close the factory. I've just been given 90 days' notice of a closure," he said. Mr Evans blamed yesterday's moves on the impact on the industry of a strong Multi-Fibre Agreement, he said. "Every garment imported means one less being made in Great Britain and more jobs lost." Mr Alec Smith, general secretary of the union, speaking in Brussels yesterday at a trade union demonstration against clothing imports, said: "The job losses in Merseyside are the direct result of the inactivity of the Government and the European Commission on imports. If they don't change their stance these losses will be just the prelude to perhaps as many as 40,000 others in the UK clothing industry in the next couple of years." Courtaulds have shed 50,000 jobs in the UK alone since 1979.

Foreign bank exits exceed entries for first time

BY MICHAEL DIXON

THE END of 25 years of growth in foreign bank representation in the City of London was reported yesterday by the Noel Alexander management consultancy. Entries of foreign banks to the City in 1985 were outnumbered by exits for the first time since the consultancy's records started in 1960. Total representation fell from the 1984 peak of 459 to 454. Mr Noel de Berry, the consultancy's managing director, said: "While the steady growth is over, I don't think it indicates a general turn in the tide. It's more a change of emphasis in international banking from commercial lending to investment and securities activity. The overseas operations

that are pulling out are mostly commercial and retail banks. The investment and securities banks are still growing like crazy in London, taking on more people and hunting for extra office space. In 1960, only 73 foreign banks were represented. Eight were American, eight Japanese, one was from the Middle East, 27 from the Continent and 29 came from other countries. The total of 459 in 1984 consisted of 75 American, 95 Japanese, 35 Arab, 168 Continental and 146 other nationalities. Entries last year included two American banks, three Japanese, one European, one Arab and two banks from other countries.

NCB inaugurates pilot petrol-from-coal plant

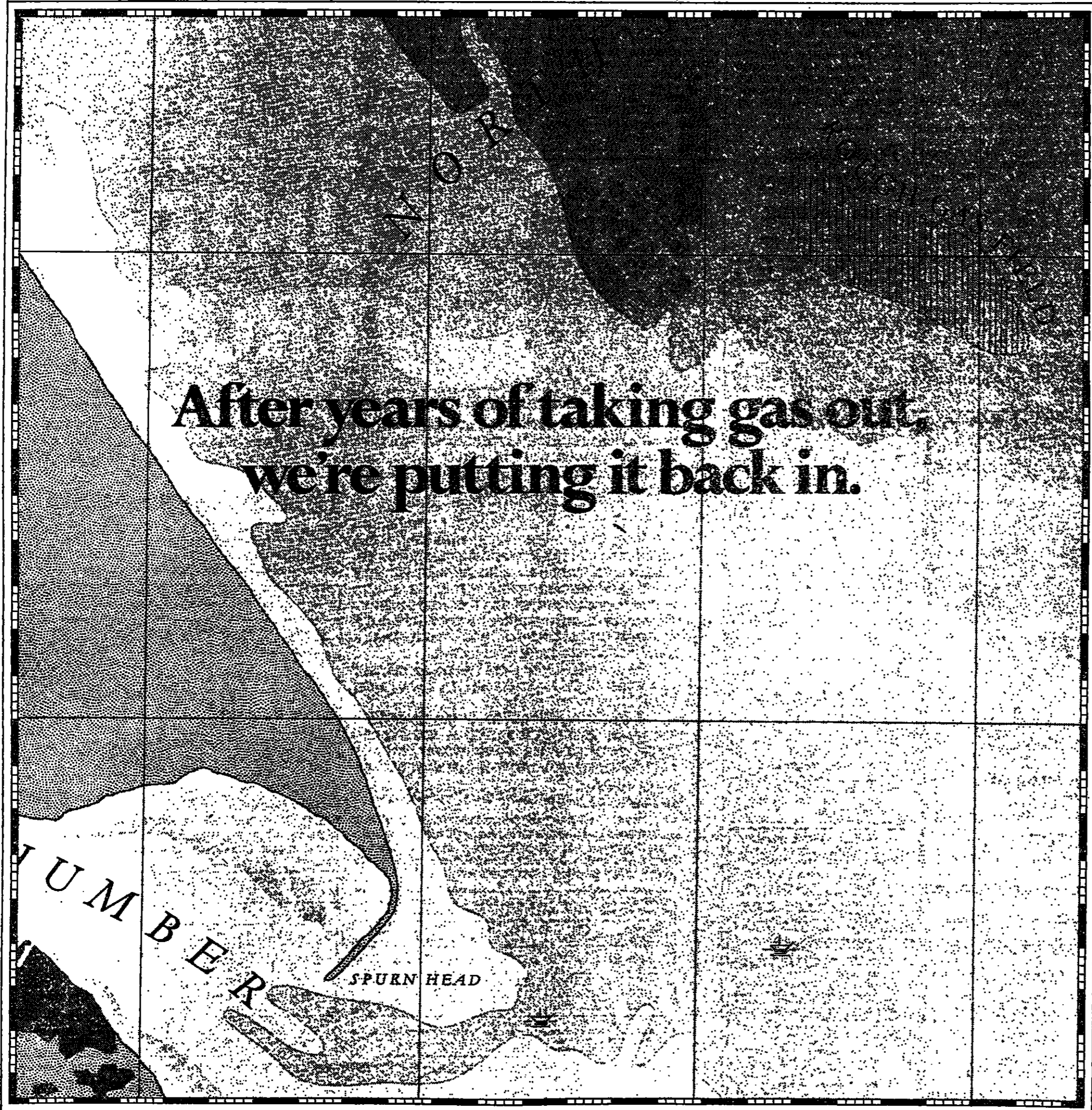
BY MAURICE SAMUELSON

MR IAN MacGregor, chairman of the National Coal Board, yesterday underlined his belief in the temporary nature of the drop in world oil prices by inaugurating work on a £35m pilot plant at Point of Ayr colliery, north Wales, for making petrol from coal. Asserting that the world was running out of oil, he forecast that from around the year 2000, more than 10m tonnes of coal a year would be utilised in the UK for transport fuel production. He said: "Unless someone invents a new wonder engine that doesn't need petrol or diesel, we will either have to give up the motor car or find another way to make cheap petrol."

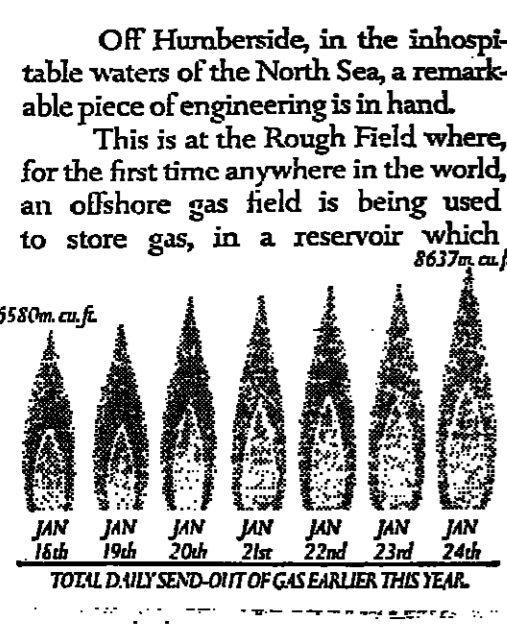
Mr MacGregor acknowledged the serious difficulties which today's falling oil prices posed to the coal industry. "The answer has to be to produce coal at prices our customers are prepared to pay and to guarantee consistency of quality with security of supply," he said. The NCB claims that its liquefaction process, developed at its Coal Research Establishment near Cheltenham, is nearly twice as efficient as some other petrol-from-coal processes. The pilot plant at Point of Ayr will process 2.5 tonnes of coal a day into a range of transport fuels including petrol, diesel and jet fuels for aircraft.

Goya sale case go-ahead

A BID to prevent the Spanish Government bringing an action aimed at blocking the sale of an £5m Goya painting next month failed in the high court. Sir Nicolas Browne-Wilkinson, the Vice-Chancellor, ruled that the Spanish Government, which claims the painting left Spain with invalid export documents, had an arguable case. He dismissed a joint application by Christie's, the auctioneer, and the painting's owners, Overseas Art Investment, Lord Wimborne's family trust, to have the Spanish Government's proceedings struck out as showing no cause of action. Christie's said it was not in a position to make a statement on any possible sale of La Marquessa de Santa Cruz. It needed time to consider carefully the judgment and consult its clients and legal advisers.



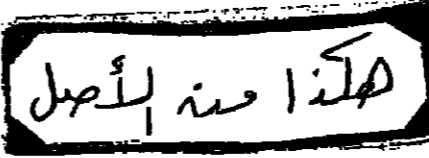
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fact, gas is likely to be taken out at high rates for an average of 40 days every winter. Since British Gas approved the concept, 34,000 tons of fabricated steel and equipment has been installed offshore, rising to more than 200 feet above sea level. All told, development of Rough Storage will cost over £700 million. It's a worthwhile investment, not just in the short and medium term, but in the long term as well.

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# 7 REASONS

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## 1. SERPS is unfair and poor value for money.

Once, the State Earnings Related Pension Scheme (better known as 'SERPS') was a gleam in Barbara Castle's eye (remember her?). It was set up with the admirable objective of providing a decent pension for every employee who wasn't properly looked after by a private company scheme. In today's cold light of day, however, SERPS looks distinctly like bad news for everyone. For not only are the pensions it promises to its members actually very poor value for money. But the eventual cost of providing those pensions on a 'pay as you go' basis (the way Governments pay for everything) could end up making the Trident programme look like petty cash.



## 2. The Government is planning to make it worse.

Well? What would you do? To its credit, the Government has decided to face the reality of SERPS, rather than bequeathing its unresolved problems to its successors in the 21st Century. It is now introducing legislation to reduce the burden of SERPS on future generations. Which, of course, means further reducing the value of future pensions many existing members can expect from SERPS.



## 3. But it is prepared to give a subsidy of 6 1/4% of your wage bill if you set up your own company scheme.

Many companies don't realise that if they contract out of SERPS they qualify for a substantial saving on their National Insurance Contributions. It amounts to a subsidy worth approximately 6 1/4% of payroll costs. A subsidy so substantial in fact, that it will cover most of the cost of running an excellent private pension scheme for the company.



## 4. It intends to offer another 2% subsidy soon.

And the Government's generosity doesn't end there. So keen are they to encourage firms to take over the role of providing employees with pensions, that the new Social Security Bill provides for the subsidy on contracted out schemes to be boosted by a further 2% of payroll costs as from early 1988.



## 5. Your workforce will enjoy substantial benefits. And so will you.

The management of any responsible company will take pride in ensuring that its workforce is going to enjoy full financial security in retirement. But there are also more direct business reasons for starting your own company pension scheme. Employees who are financially secure are likely to prove both more productive and more loyal. And you'll also find that a good pension scheme can be an important factor in persuading more good people to come and work for you.



## 6. Every day you waste means more money down the drain.


Even before the present Government began its review of pensions legislation, many companies had already elected to contract out of SERPS in order to provide better pension benefits for their employees at little cost to themselves. Now the Government has made clear its intention to run SERPS down, it makes even more sense to contract out. Throwing good money after bad isn't a good idea, and since all contracted out schemes started now will automatically qualify for the extra 2% incentive when it becomes available, there is every reason to act immediately.



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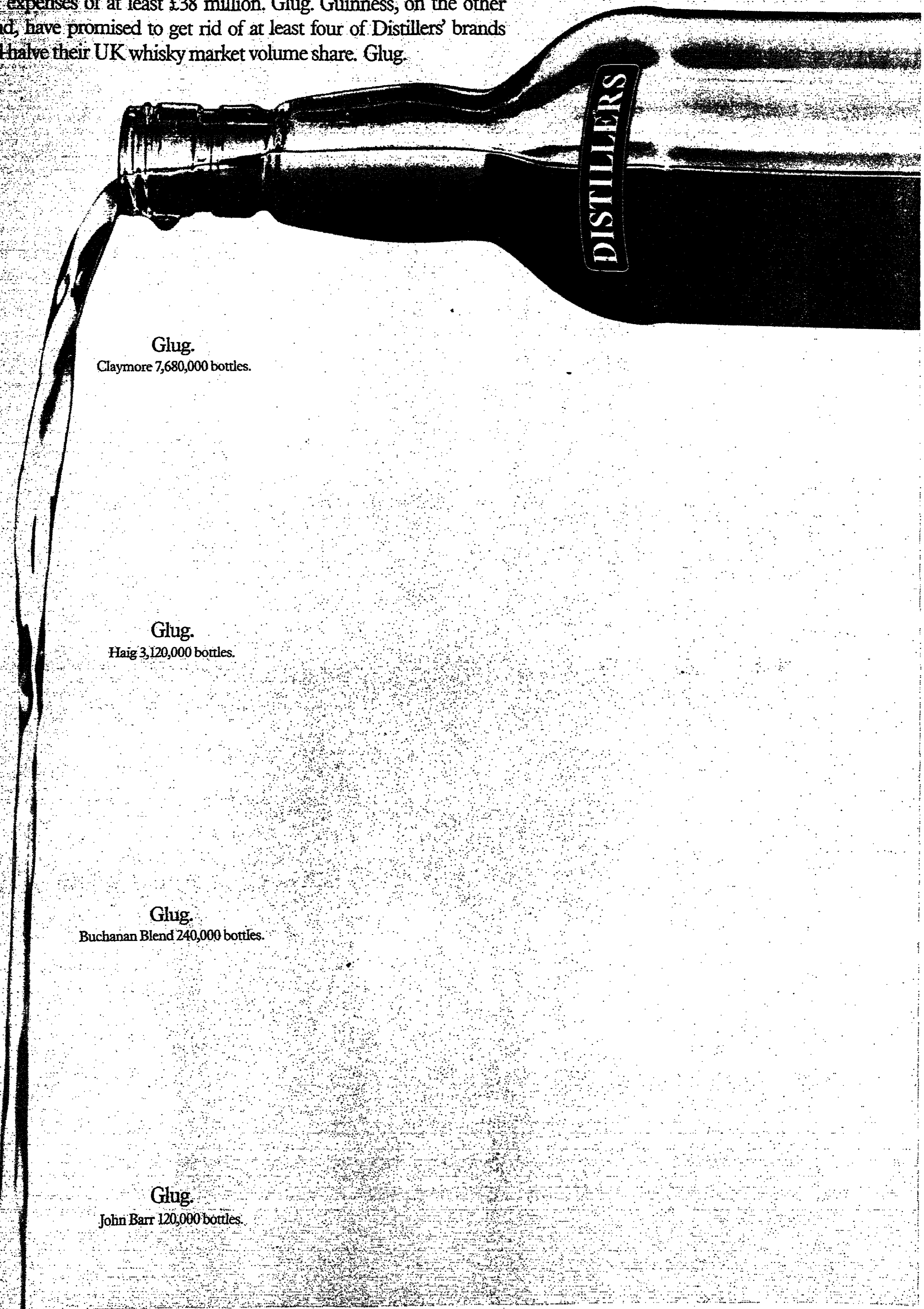

  
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Unbelievable. Distillers' directors have agreed to pay Guinness' bid expenses of at least £38 million. Glug. Guinness, on the other hand, have promised to get rid of at least four of Distillers' brands and halve their UK whisky market volume share. Glug.



Glug.  
Claymore 7,680,000 bottles.

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Glug.  
John Barr 120,000 bottles.

Argyll. We can revive Distillers' spirits.

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# APPOINTMENTS

هنا من أجل

## Chairman of Equity & Law

Following a recent illness, Sir Richard Cave has resigned as chairman of EQUITY & LAW but he will remain a director of the society. The board has elected Sir Douglas Warr as chairman. Sir Douglas became a director of the society in 1984 and is a director of Barclays Bank and the De La Rue Company. He was permanent secretary to the Treasury 1974-83 and joint head of the Civil Service 1981-83.

Mr Owen Lamont has been appointed sales director for GEC RELIANCE. He was southern UK sales manager with Case Communications.

**GEOGRAPHIC PRINTERS**, Leicester, has appointed Mr Nicholas F. D. Winks as group managing director to co-ordinate group resources. He was managing director of Critical Teletone.

Mr Graham Frankland has been appointed managing director of ALLEN-BRADLEY INDUSTRIAL AUTOMATION PRODUCTS (MILTON KEYNES). He was manufacturing director and succeeds Mr John Tyler, who is appointed executive director—European region with Allen Bradley International. Allen Bradley is a Rockwell International Company.

Mr Nicholas Roditi and Mr Clive Gibson have been appointed directors of J. ROTHCHILD HOLDINGS (JRH). Following the reduction to less than 10 per cent of JRH's interest in L. F. Rothschild, Unterberg, Towbin Holdings Inc, Mr Francois Mover and Mr Thomas Unterberg have resigned from the board of JRH.

**ASSOCIATED BRITISH PORTS HOLDINGS** has appointed Mr George Duncan to the board. He is chairman of Lloyds Bank Finance and a director of Lloyds Bank. He is also chairman of Household Mortgage

Corporation and his other directorships include BET and TR City of London Trust. Mr Duncan will be joining the ABPH board as a non-executive director in April.

Mr Michael Dandy has been appointed assistant managing director of builders' merchants, GIBBS AND DANDY. Mr Dandy, who is a solicitor, was company secretary and is the son of one of the company's former chairman.

Mr Michael Reid has been appointed executive chairman of SENTINEL LIFT. Mr Ian Waddell became managing director and Mr Keith Furness is made the company's first sales and marketing director. Mr Reid and Mr Waddell joined the board last year following the company's acquisition by Aitken Hume International.

Mr Allan A. S. Rae, has been appointed to the board of A P BANK. He is chairman of Ciba-Geigy and a member of the executive committee of Ciba-Geigy, Switzerland. Mr Rae is also a director of Turner & Newall, British Brown Fover, and Brown Boveri West (Holdings).

**STANDARD CHARTERED MERCHANT BANK** has appointed Mr M. J. Richardson and Mr J. R. Valding as directors; Mr J. Hudson, Mr J. W. Kirkham, Mr A. Pendleton and Mr M. K. A. Woolley have been appointed directors of Seminar Asset Management; Mr J. H. Baldwin becomes a director of SCMB Overseas.

Mr Richard Dangerfield, managing director of INFORMATION SERVICES, becomes chief executive; Mr George Shaw is made managing director, ISL Industrial Publications; Mr Stan Brown is appointed managing director, Komag Publications; Mr Bill Lee becomes managing

## Senior post at Bestobell

BESTOBELL has appointed Mr David C. Inman, currently chairman, as chief executive of the group. During the period immediately ahead, Mr Inman has agreed to combine the responsibilities of chairman and chief executive. He joined the group in August last year and became chairman in September. He was a group director of the petrochemicals and plastics division of ICI.

From May 1 DELOITTE HASKINS AND SELLS has advised in partnership in the London office. Mr David Allen and Mr Tony Hughes in the corporate tax group. Mr Rodney Kaye (also made a partner) will be the first partner from the corporate tax group to serve on secondment in New York. Mr Gareth Davies and Mr Gordon Ireland are made audit partners; while Mr Tim Paley, Mr Doug Smith, Mr Sheila Smith and Mr Ian Walton are all admitted to partnership in the management consultancy division. Mr Frank Atkinson becomes a partner in the Manchester office. Mr Henry Keayon is set up to incorporate the VCM/PVC interests of the two partners, when this comes into operation in the near future: chief executive officer Mr J. Vark, technical director Dr K. Keil, commercial director Mr W. J. Prinselaar, finance director Dr A. Celenza, and resource director Mr A. E. Young. Dr L. Autuori, chairman of EniChem Fulmeri, and Mr R. Brown, director, ICI Mond division, will be appointed non-executive directors to represent the shareholders' interests on the board of the joint venture, with Dr Autuori becoming chairman.

## Joint vinyl venture

EniChem, Milan, and Imperial Chemical Industries, London, have made the following executive appointments to the board of EUROPEAN VINYLs CORPORATION, a joint venture being set up to incorporate the VCM/PVC interests of the two partners, when this comes into operation in the near future: chief executive officer Mr J. Vark, technical director Dr K. Keil, commercial director Mr W. J. Prinselaar, finance director Dr A. Celenza, and resource director Mr A. E. Young. Dr L. Autuori, chairman of EniChem Fulmeri, and Mr R. Brown, director, ICI Mond division, will be appointed non-executive directors to represent the shareholders' interests on the board of the joint venture, with Dr Autuori becoming chairman.

Mr R. C. P. Wheeler who has been with the company for 30 years, has been appointed managing director of J. JARVIS & SONS. He takes over from Mr R. W. Denney who retires as chairman and managing director on March 31. Mr D. A. Beely will act as non-executive chairman. Mr Beely, together with Mr J. H. Rouiller, also a non-executive director, were appointed to the Jarvis main board on November 1 1985. Mr Douglas Jarvis, grandson of the company's founder, is also to retire from the board at the end of March. Mr J. Hugh Jones, chairman of London Shop Property, joins the Jarvis board as a non-executive director from April 1.

Mr Ken Symonds has been appointed financial director of PORVAIR. He was with McCorquodale.

**SHIPTON COMMUNICATIONS** has appointed former ICL business systems general sales manager, Mr Keith Goodman, as sales and marketing director.

Mr John Card operations director for HUME PIPE has been appointed managing director in succession to Mr Robert Bowen who has retired.

Mr Paul Thornton has been appointed honorary secretary of THE ASSOCIATION OF CONSULTING ACTUARIES for two years. He succeeds Mr Peter Felton.

Mr Trevor Maund has been appointed finance director of MURE O'FERRALL. He will succeed Mr L. S. Devereux who is retiring from the board in June. Mr Maund was finance director of First Computers, part of the Heron International Group.

The MONOPOLIES AND MERGERS COMMISSION has appointed Mr Stephen Burbridge as secretary. He will succeed Mr N. J. Burton, who is retiring. The secretary to the commission is its senior adviser and head of the staff. He is appointed with the approval of the Secretary of State for Trade and Industry. Mr Burbridge was head of consumer affairs division in the Department of Trade and Industry.

EUROFI (UK) has appointed as assistant directors Mr Bill Kirkpatrick, Mr Donald Smith and Mr Jim Bunyan. Mr Kirkpatrick was a director of Bi and will be based at Newbury. Mr Smith joined from Lazard's and is based at Birmingham. Mr Bunyan has joined the Edinburgh office.

# Our special transport will convey you from your club to an exclusive restaurant and on to a glittering nightspot.

Those of you fortunate enough to be staying at The New Piccadilly on business have no need to call a cab to take you in search of entertainment.

Simply call the lift. It'll drop you at the exclusive Gleneagles Club, the only country club in the heart of a city.

There you can relax in an armchair to the soothing sounds of classical music while you leaf through a book from our library.

Choose between a Blue Lagoon and a blue lagoon. (One's a cocktail in the club bar and the other is the club's 12-metre pool, where you can bathe beneath the gaze of marble statues.)

Or sauna, play squash, lift weights, use Nautilus equipment, be massaged—even dance.

Once you're fit for dinner, visit a restaurant that's fit for a king; the hotel's Oak Room has a menu as extensive as the resident pianist's repertoire.

Later, take in a top London nightclub. Ours is called the Music Room and you can dance there into the wee small hours.

Happy in the knowledge that, when you want to get off to bed, we'll give you a lift right to your door.

Of course, it's not all fun at The New Piccadilly.

We have our own purpose-built business centre, complete with telex,



fax machines and full secretarial facilities. Together with a conference suite that seats 250, where the latest audio-visual and simultaneous translation facilities can be made available to you at the touch of a button.

If you're not too busy enjoying yourself elsewhere in the hotel, that is.



Piccadilly, London W1V 0BH. Tel: 01-734 8000. Telex: 25795. Fax: 01-437 3574.

## ECONOMIC DIARY

**TOMORROW:** Sir Geoffrey Howe, Foreign Secretary, to visit Belgrade.

**MONDAY:** Cyclical indicators for the UK economy (February). EEC Agriculture Council meets in Brussels (until March 28).

**TUC Finance and General Purposes Committee.** Engineering Industry Training Board conference at Royal Lancaster Hotel, W2. Electrical Power Engineers' Association holds conference in Bournemouth. End of Commons debate on the Budget. GLC appeals against Court of Appeal decision vetoing its pre-emption spending plans.

**TUESDAY:** China National Peoples Congress meets in Peking. Liverpool City Council budget meeting. Commons gives

third reading to Gas Bill.

**WEDNESDAY:** Overseas travel and tourism (January). Balance of payments current account and overseas trade figures (February). New construction orders (January). CBI monthly trends enquiry (March). Detailed analysis of employment, unemployment, earnings, prices and other indicators. TUC General Council meets. Labour Party National Executive meets on Liverpool Militant probe.

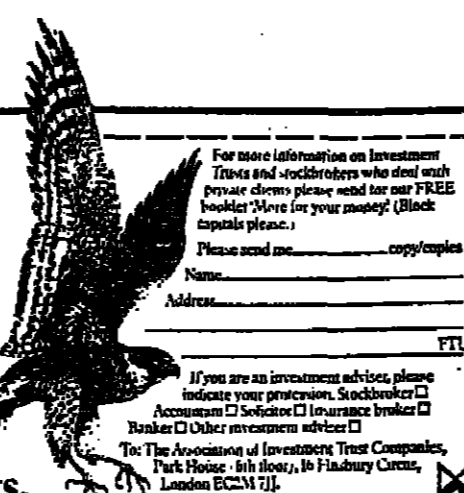
**THURSDAY:** Personal income expenditure and saving (fourth quarter). Industrial and commercial companies (fourth quarter). Energy trends (January). Unemployment and unfilled vacancies (March). New vehicle registrations (February).

# Holding the right shares won't be a taxing problem.

+ CONGRATULATIONS NIGEL +  
+ INVESTMENT TRUST SHARES  
ARE THE IDEAL VEHICLE FOR YOUR  
PERSONAL EQUITY PLAN FOR  
PRIVATE INVESTORS +  
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INVESTMENT TRUST COMPANIES +

Investment Trusts are UK listed companies with full voting rights for their equity shareholders. They are an important part of the UK savings industry with almost 20 billion pounds under management. And they offer a safety net by spreading your capital over a whole variety of companies. They are specialists in long

term investment and are particularly suited to first time investors. Some Investment Trust companies offer savings schemes for as little as £25 a month. You won't have to pay tax on dividends and capital gains under the Chancellor's PEP proposals effective January 1987.



Investment Trusts. Your shares of the action.

# Latest prices:

At last some help for the hard pressed Imperial shareholder. Mindful that share prices can vary daily, we are publishing a bulletin showing the value of each of the offers for your company. In order to be perfectly fair, the values we've quoted are based on the best possible offers. Hanson's offer closes at 5pm on March 24th.

HANSON BID WORTH:  
**374.3p**  
UNITED BISCUITS BID WORTH:  
**332.8p**  
HANSON BID BETTER BY:  
**+41.5p**

Figures based on the market prices at 5.30pm on Friday.

# HANSON TRUST

CONTINUING GROWTH FROM BASIC BUSINESSES.

The values of Hanson Trust's and United Biscuits' offers depend on their respective share prices. The above offer values are the Hanson Trust's share and United Biscuits' offer. The offer values take account of payments by Hanson Trust Ltd of the value of the relevant ordinary share prices, of the UK's convertible loan stock of Hanson and the convertible preferred shares of United Biscuits.

THE FUTURE OF AUSTIN ROVER

Still looking for the open road

By Kenneth Gooding, Motor Industry Correspondent

Mr Lawson and the City

MR NIGEL LAWSON did very little of substance in his Budget on Tuesday. This was not necessarily to his discredit; the collapse of oil prices certainly took most of the wind out of his sails.

NEXT WEEK, the parting of the ways should become official. The Government is expected to announce the sale of BL's Land Rover/Leyland commercial vehicle division to General Motors, leaving Austin Rover, BL's volume car business, more or less on its own.

In 1979 the company was producing cars customers did not want on outdated machinery with strike-prone workers

Austin Rover's financial results—while still showing red ink—have improved substantially. It has faced the fact that it will never earn a decent living from its domestic market alone, has begun the uphill struggle to improve its dealer network on the continent and is poised to tap potentially lucrative markets in the US and Japan with the new executive model.

AUSTIN ROVER

A portrait of a man and a line graph showing market share trends from 1977 to 1985. The graph shows a general upward trend with some fluctuations, peaking at 30% in 1985.

That was the background early last year when the Government and the BL board had to decide whether to continue with Austin Rover's engine development programme. Some Government advisers argued that Austin Rover would remain too small to justify continuing the engine programme and that the company should buy from Honda or another outside supplier instead.

the Rover and MG marques could have been developed as distinctive, up-market or sporty models. Mr Horrocks argues the merger would have meant fewer jobs in the UK motor industry and that, given time and the help of cars like the new Rover 800, Austin Rover can develop alone as a producer of specialist, distinctive models.

BL has a part-time, non-executive chairman, 70-year-old Sir Austin Side, who speaks for Austin Rover's future. It also has, in effect, two chief executives, Mr Horrocks for the car operation and Mr David Andrews for commercial vehicles. The two chief executives are the only full-time directors on the six-strong BL board.

Whatever his other attributes, he lacks communication skills and has held back others within BL who wanted to speak up in the company's defence after the arguments with the Government became public knowledge.

Mr Day, at 52, is reasonably young, remarkably energetic, at ease with the media and might put his ability to good effect on Austin Rover's behalf. He cleared his diary for two whole days to talk to press and television after the announcement of his appointment. Four years before, Sir Austin, whose most outstanding trait is his unobtrusiveness, was typically, "not available for comment."

There will not then be room for two chief executives, which suggests Mr Horrocks will be leaving shortly after Mr Day moves in. (Mr Andrews, BL's other chief executive, has in effect removed himself from the scene by leading the consortium attempting to arrange a management buy-out of Land Rover.)

Mr Musgrove, who joined the old Austin Motor company at Longbridge as a 15-year-old apprentice in 1945, likes to give the impression he chews six-inch nails for recreation and his abrasive style does not

Whatever happens, Mr Day needs to act urgently. Austin Rover is being badly damaged by the uncertainties over BL

Mr Dan Jones, senior research fellow at the University of Sussex's Science Policy Research Unit, agrees that Austin Rover's future must be settled quickly so that it can have a period of stability. He says Mr Day should take over "sooner rather than later so he can look around as fast as possible for the strengths and weaknesses and make up his mind as soon as possible."

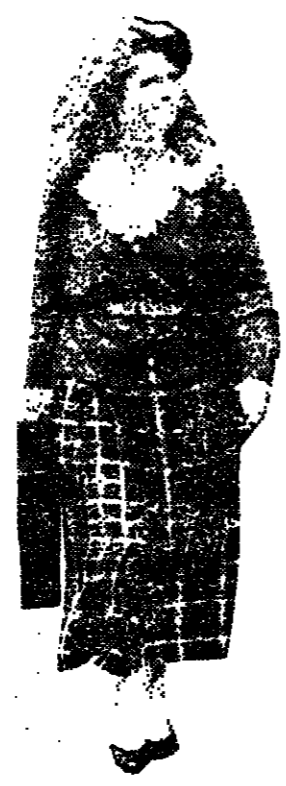
According to Mr Jones, Mr Day will have to address two key issues. First, the quality of the Austin Rover cars. "Quality should be built into cars from the bottom up and all the way through the production process, not dealt with at the end of the assembly line," he says.

Then Mr Day will have to "find a distinctive and desirable image which sets the cars apart from those of the competition." But, Mr Jones points out, it will not be possible to turn Austin Rover into a BMW overnight. It will take time.

Woman in the News: Sarah Ferguson

The Royal play's the thing

by Margaret van Hattem



"WHAT DO I do?" the Prince must have said to himself when the newspapers began to speculate about his romance. The stronger the attraction grew, the more difficult it became for him, with a flood of gossip, embroidery and sheer invention. And what could she do? Eventually he turned to his friends and one of them sprang into action, arranging with all the proprietors of the popular press that nothing more would appear.

And The Times came up with a philosophical essay by one J. Enoch Powell, on the Constitution and the Royal Consort, which explored that "most delicate judgment—how far might the constitutional integrity of the monarch's position appear to be diminished by words and acts, political or personal, of members of the monarch's family through all the degrees of propinquity...." It ended with a stern admonition: the nation depended on the Royal family to show its "good sense" and to understand the British "devotion to established modes and manners."

the tennis court" (the Mail): that she drives a BMW, lives in Clapham, was head girl at her school (but not particularly bright) and so on and so on. For many weeks now, the public prints have been loud with references—both coy and explicit—to the previous loves of the prince and his bride-to-be. It would have been idiotic to attempt to conceal his, conducted as they were in a blaze of publicity. And there has been surprisingly little effort to conceal her past affairs. But who minds, and who is to judge? During the abdication crisis when Geoffrey Dawson, editor of The Times, Cosmo Gordon Lang, Archbishop of Canterbury and Stanley Baldwin, the Prime Minister, set themselves up as arbiters, no one dreamt of challenging their right to do so. But their modern-day equivalents, Charles Wilson, Robert Runcie and Margaret Thatcher, make an unlikely triumvirate. And the prospect of their conspiring together is as bizarre as that of the Royal Family being impressed by them. The Times, barricaded behind barbed wire in Wapping, is not the kingmaker it was. The Church, with its controversial reports on inner cities and nuclear disarmament, not to mention its even more controversial Bishops, seems to have lost interest in conventional centres of power. As for Mrs Thatcher, the Westland affair appears to have dulled even her appetite for moralising in public. If public standards of morality are closer to private standards today than they were 50 years ago, there are competing difficulties for a modern prince. Not least, the

DELTA GROUP

Profits exceed £50m - a record

Table with 3 columns: 1985, 1984, and 1983. Rows include Turnover, Profit before taxation, Return on capital, Earnings per share - nil basis, Ordinary dividends per share, and Net borrowings.

- Another year of strong performance
• Fourth successive annual increase in earnings per share
• Cash flow of £35m
• Dividend for the year increased by 44%
• Market capitalisation has risen by a multiple of five since 1981 to exceed £300m

Geoffrey Wilson CHAIRMAN

Handwritten signature and name in a box.





BHP on target for record net profits

BY LACHLAN DRUMMOND IN SYDNEY

BHP, the energy and industrial group which is Australia's largest company, is on target for record profits this year following a 52 per cent gain in net earnings to A\$1.3bn (US\$578.6m) for the first nine months...

Jardine Matheson reduces deficit

BY DAVID DODWELL IN HONG KONG

JARDINE MATHESON, Hong Kong's oldest colonial trading company, yesterday reported losses amounting to HK\$793m (US\$332.5m) in the first nine months of the year...

Jardine's 56th investment in Hongkong Land — a move that would allow substantial funds for fresh investment, and reduce the group's heavy dependence on operations in Hong Kong...

Operating profits of HK\$390m and earnings from associates of HK\$533m were eroded by a HK\$144m exceptional cost in writing off oil and gas exploration activities and interest amounting to HK\$213m to service debt...

Jardine's term debt was cut from HK\$4.2bn at the end of 1984 to HK\$2.7bn at the end of last year, bolstering the group's ratio of debt to equity from 100 per cent to 57 per cent...

Goedde quits top post at Krupp Stahl

MR ALFONS GOEDDE, chief executive of Krupp Stahl of West Germany, has resigned. Krupp officials said yesterday that Mr Goedde had asked the group's supervisory board to release him from his contract for "personal reasons"...

Israeli bank sells majority stake

BY ANDREW WHITLEY IN TEL AVIV

A MAJORITY shareholding in the First International Bank of Israel (FIBI) generally considered the most innovative of Israel's "big five" commercial banks, has been sold for US\$21m to a group of private investors led by Mr Jack Nasser, a New York businessman...

To acquire control of FIBI, which had capital of \$130m and assets totalling \$800m at the end of 1985, Mr Nasser beat off rival bids from three other interested groups: one Australian and two Canadian, including Mr Charles Bronfman...

Thyssen sees continuing progress

By Our Financial Staff THYSSEN, the West German steel and industrial group which staged a big profits recovery last year, looks forward to further progress in the current 12 months. Despite a decline in steel turnover, group sales are likely to rise by about 4 per cent in the first half of the year ending September 1986...

Sunshine Mining warns of further rise in losses

BY MARY FRINGS IN DALLAS

SUNSHINE MINING, the fully-integrated silver producer recently-acquired oil and gas interests, has warned shareholders that losses for 1986 may reach \$88m, about 60 per cent higher than the company forecast in November...

Poseidon plans \$14.4m rights issue

By Kenneth Marston, Mining Editor

POSEIDON, the fallen star of the Australian nickel exploration boom which rose from the ashes to become a dividend-paying gold investment company, yesterday announced a \$14.4m (US\$10m or £6.5m) rights issue and a fall in half-year profits to A\$52,000 from A\$5.1m a year ago...

Imperial Oil to cut 1,800 jobs

BY BERNARD SIMON IN TORONTO

IMPERIAL OIL, Canada's biggest oil company, plans to cut its workforce by about 12 per cent of 1,800 jobs in response to lower oil prices and an over-supply of petrochemicals and other refined products. Imperial is the latest of several Canadian oil and gas producers to implement staff cuts and other cost-cutting measures...

Imperial said it was re-examining its capital spending programme, which reached a record C\$1.2bn (US\$550m) in 1985. Among the projects under scrutiny is the next phase of its Cold Lake heavy oil project in north-east Alberta. The bulk of the redundant jobs are in the refining and chemicals divisions...

CREST NICHOLSON PLC

The holding company with interests in property, sports surfaces, conveying systems, optical products, electronics and marine services

Record Results in 1985

Table with 3 columns: Item, 1985, 1984. Rows: Sales, Pre-tax profits, Earnings per share, Dividends per share.

- \* Increase in profits for the eleventh consecutive year
\* 14% increase in earnings per share
\* Recent merger with C H Pearce & Sons plc announced 21st October, 1985
\* Another good year is expected in 1986

Accounts available from the Secretary, Crest House, Station Road, Egham, Surrey TW20 9NP. This advertisement has been arranged to correct the text of the advertisement published in the Financial Times on 20th March and Investors Chronicle on 21st March 1986.

EUROPEAN OPTIONS EXCHANGE table with columns: Series, Vol., Last, Vol., Last, Vol., Last, Stock. Includes rows for GOLD, L.P.L.C., AMRO, etc.

Granville & Co. Limited

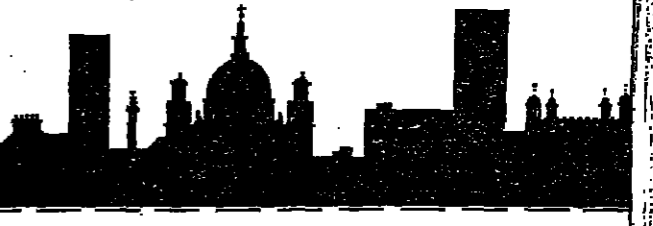
Member of The National Association of Security Dealers and Investment Managers. 8 Lovat Lane London EC3R 8BP Telephone 01-621 1212

Over-the-Counter Market table with columns: High, Low, Company, Price, Change, Yield, Fully Paid. Lists various companies like Ass. Br. Ind. CULS., Amstar Group, etc.

The Charities Official Investment Fund

Annual Report 1985

- Income Share value rose by 9.3%
Dividend increased by 12.7%
Accumulation Share rose by 14.7%
Successful launch of associated Charities Deposit Fund



To: The Charities Official Investment Fund, 77 London Wall, London EC2N 1DB (01-588 1815)

Please send: COIF 1985 Annual Report, Charities Deposit Fund Report. Name, Address fields.

Royal Air Force Benevolent Fund repays the debt we owe

The Royal Air Force reached a peak strength of 1,200,000 in 1944 and more than 1 1/2 million men and women served during the war years. Thousands did not come back. Many lie in the forgotten corners of earth and sea. Many thousands more were left disabled - mentally and physically.

Each year demands on the Fund are increasing as the survivors of World War II and their dependants grow older and increasingly vulnerable to infirmity and economic hardship.

All change at Charing X.

Today's hospitals are about symptoms and illness. We want to change all that. Charing X Medical Research Centre is about causes and health. Because the best of cures is many times worse than not being ill in the first place. Agreed? Then please support us!

CHARING CROSS MEDICAL RESEARCH CENTRE APPEAL form with fields for Name, Address, Amount Enclosed.

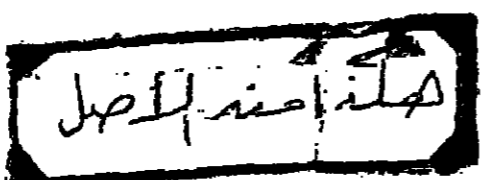
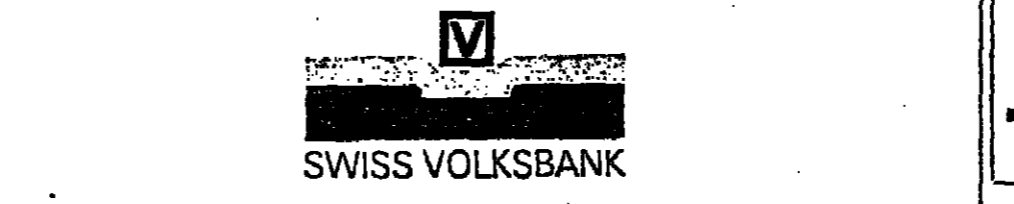
Dividend 1985

The Delegates Meeting of March 21st, 1986, has decided to pay on each share at par value Sfr 500 and on each participation certificate of par value Sfr 50 the following dividend:

- Shares (Security No. 132054 (Telekurs)) Coupon No. 53 Gross Less 35% Swiss Withholding Tax Net SFr 70 SFr 24.50 SFr 45.50
Participation Certificates (Security No. 132059 (Telekurs)) Coupon No. 8 Gross Less 35% Swiss Withholding Tax Net SFr 7 SFr 2.45 SFr 4.55

The coupons can be presented for payment - free of expenses - at any of our branches, from March 24th, 1986.

VOLKSBANK LETTER Volksbank Letter 1/86 contains a comment on the 1985 results as well as a forecast on the immediate future prospects for the bank. It can be obtained from the securities desk of any branch.



WORLD STOCK MARKETS

NEW YORK

Table of stock prices for various companies in New York, including AMCA Computers, AMR Corp, and others. Columns include Stock, Mar. 20, and Mar. 19.

NEW YORK INDICES

Table of stock market indices for New York, including DOW Jones, Industrials, and Financials. Columns include index name, Mar. 20, and Mar. 19.

CANADA

Table of stock prices for various companies in Canada, including Alcan Aluminum, Inco, and others. Columns include Stock, Mar. 20, and Mar. 19.

WALL STREET

Higher but operators nervous. Stocks edged higher in nervous trading on Wall Street yesterday, ahead of the quarterly 'triple expiration' date for stock index futures and options.

STOCKS EDGED higher in nervous trading on Wall Street yesterday, ahead of the quarterly 'triple expiration' date for stock index futures and options.

By 1 pm the Dow Jones Industrial Average rose another 5.27 to a new record of 1,589.51, marking a rise of 16.77 on the week, while the NYSE All Common index, at \$136.45, was up 32 cents on the day and a net 28 cents on the week.

Advances led declines in volume of 111.3M (\$41.63M) shares. 'It's quiet and there's a lot of people who have already done what they have to do as far as their quarterly commitments are concerned,' said Ralph Blair of Montgomery Securities.

Morgan Stanley's impressive first day of trading buoyed brokerage stocks. It was up \$10 from the \$66.50 offer price on volume of 1.4M shares.

AT&T led the actives, down \$1 on a margin in a volume of 1.1M shares. Smithline Beckman declined \$1 to \$88.11 - it called for a nationwide halt on sale of its over-the-counter medications.

Johnston and Johnson, a victim of earlier tampering incidents, rose \$1 to \$55. THE AMERICAN SE Market Value index gained 0.86 to 1,917.26.

Closing prices for North America were not available for this edition.

CANADA

Table of stock prices for various companies in Canada, including Alcan Aluminum, Inco, and others. Columns include Stock, Mar. 20, and Mar. 19.

AUSTRIA

Table of stock prices for various companies in Austria, including Creditanstalt, and others. Columns include Stock, Mar. 21, and Mar. 20.

GERMANY

Table of stock prices for various companies in Germany, including AEG, Allianz, and others. Columns include Stock, Mar. 21, and Mar. 20.

BELGIUM/LUXEMBOURG

Table of stock prices for various companies in Belgium/Luxembourg, including B.S.I., and others. Columns include Stock, Mar. 21, and Mar. 20.

DENMARK

Table of stock prices for various companies in Denmark, including Andelsbanken, and others. Columns include Stock, Mar. 21, and Mar. 20.

FRANCE

Table of stock prices for various companies in France, including Air Liquide, and others. Columns include Stock, Mar. 21, and Mar. 20.

NETHERLANDS

Table of stock prices for various companies in Netherlands, including ADF Holding, and others. Columns include Stock, Mar. 21, and Mar. 20.

NETHERLANDS

Table of stock prices for various companies in Netherlands, including ADF Holding, and others. Columns include Stock, Mar. 21, and Mar. 20.

NETHERLANDS

Table of stock prices for various companies in Netherlands, including ADF Holding, and others. Columns include Stock, Mar. 21, and Mar. 20.

NOTES - Prices on this page are as quoted on the individual exchanges and are last traded prices. Dealings suspended, as indicated, on the day of the week.

Vertical text on the right edge of the page, including 'CUT', 'FORE', 'STO', 'MONEY M', and 'Bank'.

CURRENCIES and MONEY

FOREIGN EXCHANGES

Sterling very firm

Sterling continued to improve in currency markets yesterday as high UK interest rates and a buoyant equity market boosted demand.

£ IN NEW YORK

Table showing Sterling exchange rates in New York, including 1 month, 3 months, and 6 months rates.

that the Bank of Japan may act independently to try to curb the yen's rise. This left the dollar confined to a narrow range.

STERLING INDEX

Table showing Sterling Index values for various dates and currencies.

POUND SPOT—FORWARD AGAINST DOLLAR

Table showing Pound Spot and Forward rates against the Dollar for various terms.

CURRENCY RATES

Table showing various currency rates including Canadian, Australian, and others.

DOLLAR SPOT—FORWARD AGAINST DOLLAR

Table showing Dollar Spot and Forward rates against the Dollar for various terms.

CURRENCY MOVEMENTS

Table showing currency movements for various countries like Japan, West Germany, and others.

EURO-CURRENCY INTEREST RATES

Table showing Euro-currency interest rates for various currencies and terms.

OTHER CURRENCIES

Table showing other currency rates including Argentinian, Brazilian, and others.

EXCHANGE CROSS RATES

Table showing exchange cross rates for various currencies.

MONEY MARKETS

Bank acts to slow the pace

The Bank of England indicated its preference for a slow-down in the recent fall in interest rates by lending money to discount houses in the afternoon.

FT INTERBANK FIXING

Table showing FT Interbank Fixing rates for various currencies.

MONEY RATES

Table showing money rates for various currencies and terms.

LONDON MONEY RATES

Table showing London Money Rates for various currencies.

REVIEW OF THE WEEK

Further defections add to LME gloom

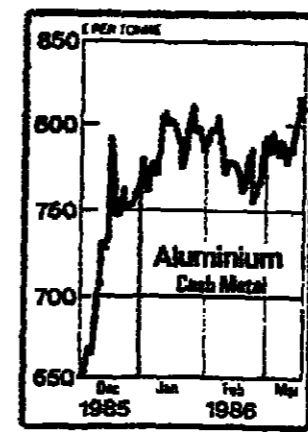
BY RICHARD MOONEY

THE DEFECTION of two more trading companies in the aftermath of the tin crisis deepened the gloomy mood of the London Metal Exchange this week.

Confused uncertainty about the price of oil and Opec's attempts to come to some agreement on output quotas weighed heavily on the dollar and with recent economic statistics showing little upward momentum.

On Thursday, J. H. Rayner (Mining Lane), and S. & W. Beristford subsidiary, became the fifth trader to withdraw from the market out of the 28 who were trading when the International Tin Council announced it had run out of money for price support back in October.

Confidence of the market has been maintained. Such calls have been around for some time but they have not added momentum from the tin crisis which is naturally being held up as an illustration of the shortcomings of the current system.



PRECIOUS METALS

PRECIOUS Metals advanced on news of violence in South Africa and guarded optimism about talks between Opec and non-Opec producers.

NEW YORK

Table showing New York market prices for various commodities.

CHICAGO

Table showing Chicago market prices for various commodities.

WEEKLY PRICE CHANGES

Table showing weekly price changes for various commodities.

INDICES

FINANCIAL TIMES

Table showing financial indices and their values.

BASE METALS

Table showing base metal prices for various metals.

POTATOES

Table showing potato prices for various grades.

ALUMINIUM

Table showing aluminium prices for various grades.

ZINC

Table showing zinc prices for various grades.

COPPER

Table showing copper prices for various grades.

GOLD

Table showing gold prices for various grades.

LEAD

Table showing lead prices for various grades.

SILVER

Table showing silver prices for various grades.

COCAOA

Table showing cocoa prices for various grades.

SOYABEAN MEAL

Table showing soyabean meal prices for various grades.

SUGAR

Table showing sugar prices for various grades.

CRUDE OIL

Table showing crude oil prices for various grades.

GRAINS

Table showing grain prices for various types.

WHEAT

Table showing wheat prices for various grades.

BARLEY

Table showing barley prices for various grades.

CRUDE OIL FUTURES

Table showing crude oil futures prices.

WHEAT

Table showing wheat prices for various grades.

BARLEY

Table showing barley prices for various grades.

CRUDE OIL FUTURES

Table showing crude oil futures prices.

TIN

Table showing tin prices for various grades.

RUBBER

Table showing rubber prices for various grades.

WHEAT

Table showing wheat prices for various grades.

BARLEY

Table showing barley prices for various grades.

CRUDE OIL FUTURES

Table showing crude oil futures prices.

WHEAT

Table showing wheat prices for various grades.

BARLEY

Table showing barley prices for various grades.

CRUDE OIL FUTURES

Table showing crude oil futures prices.





STOCK EXCHANGE DEALINGS

Details of business done below have been taken with consent from the London Stock Exchange... Details of business done below have been taken with consent from the London Stock Exchange...

Table of stock exchange dealings including columns for company names, prices, and volumes. Includes sections for 'Special List' and 'Mines - South African'.

Table of stock exchange dealings, continuing from the previous section with various company listings and prices.

Table of stock exchange dealings, continuing with more company listings and market data.

Table of stock exchange dealings, continuing with company names and prices.

Table of stock exchange dealings, continuing with company listings and market information.

Table of stock exchange dealings, continuing with company names and prices.

Table of stock exchange dealings, continuing with company listings and market data.

Table of stock exchange dealings, continuing with company names and prices.

Table of stock exchange dealings, continuing with company listings and market information.

FT UNIT TRUST INFORMATION SERVICE

AUTHORISED UNIT TRUSTS

Large table listing various unit trusts, their managers, and performance metrics. Includes columns for trust names, managers, and dates.

CONTINUED OVERLEAF

AUTHORISED UNIT TRUSTS & INSURANCES

Table listing various financial products, including Unit Trusts (e.g., Sun Alliance Fund Management Ltd, Sun Life Trust Mgmt. Ltd) and Insurances (e.g., AA Priority Society, Abbey Life Assurance Co Ltd). Each entry includes the company name, product name, and numerical values.

INSURANCES

For Capital Unit and Other Prices see 01-247 6533

For Unit and Other Prices see 01-247 6533

For Unit and Other Prices see 01-247 6533

For Unit and Other Prices see 01-247 6533

For Unit and Other Prices see 01-247 6533

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For Unit and Other Prices see 01-247 6533

For Unit and Other Prices see 01-247 6533

For Unit and Other Prices see 01-247 6533

INSURANCE, OVERSEAS & MONEY FUNDS

Main table containing financial data for various insurance, overseas, and money funds. Columns include company names, fund names, and numerical values.

Money Market Trust Funds

Table listing Money Market Trust Funds with columns for fund name and values.

Money Market Bank Accounts

Table listing Money Market Bank Accounts with columns for bank name and values.

Money Market Savings

Table listing Money Market Savings with columns for bank name and values.

Money Market Investments

Table listing Money Market Investments with columns for fund name and values.

Money Market Funds

Table listing Money Market Funds with columns for fund name and values.

Money Market Services

Table listing Money Market Services with columns for service name and values.

Money Market Products

Table listing Money Market Products with columns for product name and values.

Money Market Options

Table listing Money Market Options with columns for option name and values.

Money Market Futures

Table listing Money Market Futures with columns for future name and values.

Money Market Derivatives

Table listing Money Market Derivatives with columns for derivative name and values.

OFFSHORE AND OVERSEAS

Table listing Offshore and Overseas funds with columns for fund name and values.



LONDON SHARE SERVICE

Table with columns: High, Low, Stock, Price, Div, Yld, etc. Includes sections for BRITISH FUNDS, AMERICANS-Cont., and FOREIGN BONDS & RAILS.

Table with columns: High, Low, Stock, Price, Div, Yld, etc. Includes sections for AMERICANS-Cont., CANADIANS, and BUILDING, TIMBER, ROADS-Cont.

BUILDING, TIMBER, ROADS-Cont. DRAPERY & STORES-Cont.

Table with columns: High, Low, Stock, Price, Div, Yld, etc. Includes sections for BUILDING, TIMBER, ROADS-Cont., DRAPERY & STORES-Cont., and ELECTRICALS.

CHEMICALS, PLASTICS

Table with columns: High, Low, Stock, Price, Div, Yld, etc. Includes sections for CHEMICALS, PLASTICS, and DRAPERY & STORES.

DRAPERY & STORES

Table with columns: High, Low, Stock, Price, Div, Yld, etc. Includes sections for DRAPERY & STORES, BEERS, WINES & SPIRITS, and BUILDING, TIMBER, ROADS.

BUILDING, TIMBER, ROADS

Table with columns: High, Low, Stock, Price, Div, Yld, etc. Includes sections for BUILDING, TIMBER, ROADS, AMERICANS, and FOREIGN BONDS & RAILS.

Table with columns: High, Low, Stock, Price, Div, Yld, etc. Includes sections for ENGINEERING-Continued, FOOD, GROCERIES, ETC., and HOTELS AND CATERERS.

Table with columns: High, Low, Stock, Price, Div, Yld, etc. Includes sections for INDUSTRIALS-Continued, AMERICANS, and FOREIGN BONDS & RAILS.

Financial Times Saturday March 22 1936

INDUSTRIALS—Continued

Table of industrial stocks including companies like American Cyanamid, American Lumber, and various manufacturing firms. Columns include stock name, price, and other financial metrics.

LEISURE—Continued

Table of leisure and recreational stocks, including companies like American Amusement, American Book, and various entertainment-related firms.

PROPERTY—Continued

Table of real estate and property-related stocks, including companies like American Realty, American Trust, and various land development firms.

INVESTMENT TRUSTS—Cont.

Table of investment trusts, including companies like American Investment, American Fund, and various mutual funds.

FINANCE, LAND—Cont.

Table of finance and land-related stocks, including companies like American Finance, American Land, and various financial institutions.

MINES—Continued

Table of mining stocks, including companies like American Mining, American Gold, and various mineral extraction firms.

MOTORS, AIRCRAFT TRADES

Table of motor and aircraft trade stocks, including companies like American Motor, American Aircraft, and various automotive parts manufacturers.

NEWSPAPERS, PUBLISHERS

Table of newspaper and publishing stocks, including companies like American Newspaper, American Publisher, and various media companies.

PAPER, PRINTING, ADVERTISING

Table of paper, printing, and advertising stocks, including companies like American Paper, American Printer, and various media-related firms.

INSURANCES

Table of insurance stocks, including companies like American Insurance, American Life, and various financial protection firms.

LEISURE

Table of leisure stocks, including companies like American Leisure, American Recreation, and various entertainment firms.

SHIPPING

Table of shipping stocks, including companies like American Shipping, American Marine, and various maritime-related firms.

SHOES AND LEATHER

Table of shoe and leather stocks, including companies like American Shoe, American Leather, and various footwear manufacturers.

SOUTH AFRICANS

Table of South African stocks, including companies like Anglo-American, Anglo-African, and various firms operating in South Africa.

TEXTILES

Table of textile stocks, including companies like American Textile, American Fiber, and various fabric manufacturers.

TOBACCO

Table of tobacco stocks, including companies like American Tobacco, American Cigar, and various tobacco-related firms.

TRUSTS, FINANCE, LAND

Table of trusts, finance, and land stocks, including companies like American Trust, American Finance, and various financial entities.

PROPERTY

Table of property stocks, including companies like American Property, American Real Estate, and various land development firms.

OIL AND GAS

Table of oil and gas stocks, including companies like American Oil, American Gas, and various energy-related firms.

OVERSEAS TRADERS

Table of overseas trader stocks, including companies like American Overseas, American International, and various global trade firms.

PLANTATIONS

Table of plantation stocks, including companies like American Plantation, American Rubber, and various agricultural firms.

TEAS

Table of tea stocks, including companies like American Tea, American Coffee, and various beverage manufacturers.

MINES

Table of mining stocks, including companies like American Mining, American Gold, and various mineral extraction firms.

Central Rand

Table of Central Rand mining stocks, including companies like Anglo-American, Anglo-African, and various firms operating in South Africa.

Eastern Rand

Table of Eastern Rand mining stocks, including companies like Anglo-American, Anglo-African, and various firms operating in South Africa.

Far West Rand

Table of Far West Rand mining stocks, including companies like Anglo-American, Anglo-African, and various firms operating in South Africa.

Diamond and Platinum

Table of diamond and platinum stocks, including companies like American Diamond, American Platinum, and various gemstone firms.

Central African

Table of Central African mining stocks, including companies like Anglo-American, Anglo-African, and various firms operating in South Africa.

Finances

Table of finance stocks, including companies like American Finance, American Fund, and various financial institutions.

Australians

Table of Australian stocks, including companies like Anglo-American, Anglo-African, and various firms operating in South Africa.

Miscellaneous

Table of miscellaneous stocks, including companies like American Miscellaneous, American General, and various other firms.

Notes

Notes section providing additional information and commentary on the market, including price movements and company news.

Regional & Irish Stocks

Table of regional and Irish stocks, including companies like Anglo-American, Anglo-African, and various firms operating in South Africa.

Recent Issues & Rights

Table of recent issues and rights, including companies like Anglo-American, Anglo-African, and various firms operating in South Africa.

Recent Issues & Rights

Table of recent issues and rights, including companies like Anglo-American, Anglo-African, and various firms operating in South Africa.

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Recent Issues & Rights

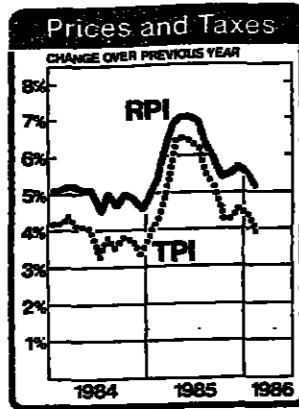
Table of recent issues and rights, including companies like Anglo-American, Anglo-African, and various firms operating in South Africa.

If you want the world... Wardley

UK inflation rate drops to 5.1%

BY GEORGE GRAHAM

BRITAIN'S rate of inflation fell last month to 5.1 per cent...



Prices and Taxes. CHANGE OVER PREVIOUS YEAR. RPI, TPI. 1984 1985 1986

More expensive cauliflowers and tomatoes and an extra 1p on a pint of milk contributed to an overall increase in the Retail Price Index of 0.4 per cent last month from January's level.

GM talks on Leyland 'could still break down'

By Peter Riddell and Kenneth Gooding

TALKS between the Government and General Motors of the US about Leyland Trucks and Land Rover could still break down.

As the Government sought to maintain pressure on GM in the negotiations, now nearing completion, about BL's commercial vehicle division, the senior minister, who is on the special Cabinet committee concerned with state-owned BL, insisted that no other deal was being negotiated.

Management buyout agreed for Cadbury food and beverages

BY LIONEL BARBER

CADBURY SCHWEPES, the confectionery and soft drinks group, last night announced the sale of its food and beverages interests in a management buyout worth about £97m.

The management team, which plans an eventual stock market flotation for the business, was forced to raise its original offer of £82.5m after Allied-Lyons, the food and drinks group, countered with a bid worth just over £100m.

the Employment Secretary, said. In his Budget statement on Tuesday, the Chancellor of the Exchequer said the annual rate of inflation for food prices was expected to remain at 3 per cent in 1986, but a 7 1/2 per cent rate of increase was expected for housing costs.

domestic rate bills. Local authority rents are also expected to rise. In spite of the drop to 5.1 per cent in February, the UK's annual inflation rate still stands above the European Community's average of 4.7 per cent.

Esso rise adds to confusion over pump petrol prices

By Max Wilkinson, Resources Editor

CONFUSION ABOUT what is going to happen to petrol prices this weekend was increased yesterday by an announcement from Esso that it would pass on the 7 1/2p Budget rise in duty.

The apparently obscure arithmetic reflects the fact that few motorists are actually paying the maximum. Four-star prices range from as little as 158p at some pumps.

Petrol companies' estimates yesterday of the average price at the pump put it at about 179p. In his Budget speech on Tuesday Mr Nigel Lawson, Chancellor of the Exchequer, suggested that falling oil prices made it possible for petrol prices to come down another 12p, quite enough to absorb the increase he was imposing.

The duty rise was 5 1/2p to compensate for inflation and 2p to allow for the fact that he was not raising the annual car licence fee from £10.

Esso's announcement yesterday followed a vigorous reaction by other oil companies to the idea that they should absorb the 7 1/2p increase.

Both, however, have been coy about specifying the amount of their increases. Shell said yesterday: "To have absorbed all or any part of the duty would create an unfortunate precedent."

BP has taken a similar line. Both, however, concede that prices paid at the pump by motorists will be dictated by market competition.

The consensus yesterday seemed to be that motorists could expect to pay about 177p a gallon this weekend but that competition would continue to erode prices.

Continued from Page 1

Lawson

employer who takes on an 18 or 19-year-old at up to £55 a week, or a 20-year-old at up to £55 a week.

Only 9 per cent of respondents said that the scheme would do a lot to encourage them to take on more youngsters. Against this 33 per cent said that it would do a little and 57 per cent said that it would make hardly any difference.

On employment prospects in general, the poll found that 55 per cent of directors were expecting a reduction in their company's payroll in the next few months. Just 44 per cent are expecting an increase.

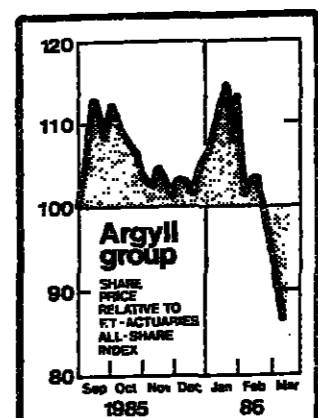
Mr Lawson's proposals to encourage company donations to charities have also met a less than enthusiastic response. Only 5 per cent of executives said they would expect to increase their donations.

Another 28 per cent said that the new provision might stimulate them a little, but 55 per cent said that there would be virtually no change.

The proposed new regime also allows employers to set up a scheme under which employees can have charitable donations of up to £100 a year deducted from their pay and receive tax relief.

THE LEX COLUMN A good idea at the time

Index fell 2.9 to 1412.2



Argyl group. SHARE PRICE RELATIVE TO FT-INDUSTRIALS ALL-SHARE INDEX. 1985 1986

The market stampede was certainly not halted by the Budget. In a market where daily rises have become an expectation and any fall in recent weeks has proved both marginal and temporary, the habit of buying equities seems like an addiction.

Moreover, the Chancellor has both reaffirmed the assumption of an economy rolling ahead on cheaper oil, and buttressed a gilt-edged market belief in a progressively falling cost of money.

That is galling for Mr Gulliver, for it appears that Guinness has been left with room to win the day by force if it needs to. However futile, Argyl's final throw has at any rate not added to the enormous costs of the enterprise.

Personal Equities

However laudable the Chancellor's aim of establishing a share-owning democracy, the Personal Equity Plan is an ill-considered means to that end.

The idea of an investor building up a £35,000 portfolio over 10 years through modest monthly savings is superficially attractive and in these markets easy to believe.

The absence of tax relief on the money going in, gives Tory voters no safety net, such as the Lot Monroy provided, when the next bear market comes. And a change of UK government could

continue to invest in the right markets at the right time - with all-out capital growth as the prime target.

Wardley Around the World

Wardley, with its extensive network of on-the-spot researchers and investment professionals, is particularly well equipped to buy the world.

Investment Policy

Our Managers set about creating a unit trust that could move around the world at will. And into any market, be it ordinary shares, fixed interest securities or simply hard currency.

Wardley's Pedigree

We are a wholly owned subsidiary of the Hongkong and Shanghai Banking Corporation, which has over 40,000 employees working in more than 1200 offices in over 50 countries.

Mr Lawson does not want the money to go into unit trusts or even investment trust shares which, whatever their faults, would answer some of the problems.

But the investment management firms are planning more exactly that through discretionary pooled funds where each investor owns a certain proportion of the shares. Individual funds allowing the owner to pick their own shares will just not be efficient.

Exco

Exco's search for a new role in financial life, following the sale of Telerate, is continuing. Morgan Grenfell might have been the ideal destination for a liquid dowry of £370m.

Exco has been forced by a recent and still controversial tax case to make a much increased provision for CGT on its Telerate disposal profit.

Wardley's International Growth Trust up 50% in the 17 weeks since launch\*

IF YOU WANT THE WORLD BUY IT FROM WARDLEY!

IF YOU WANT THE WORLD BUY IT FROM WARDLEY!

Wardley's International Growth Trust up 50% in the 17 weeks since launch\*

The International Growth Trust Back in November 1985, when Wardley decided to relaunch their International Growth Trust (formerly the Wardley Natural Resources Trust) they did so for very good reasons.

Market Movements

Every year investors see some markets perform exceptionally well and others do badly. Over the last year the most attractive has been Europe, whilst markets such as Hong Kong and Singapore have performed much less well.

Investment Policy

Our Managers set about creating a unit trust that could move around the world at will. And into any market, be it ordinary shares, fixed interest securities or simply hard currency.

Wardley's Pedigree

CHIEF PRICE CHANGES YESTERDAY

Table with columns for RISES and FALLS, listing various commodities and their price changes.

WORLDWIDE WEATHER

Table with columns for location, day, and weather conditions.

CEGB warned against big increase in oil burning

BY MAURICE SAMUELSON

THE Government has stepped in to prevent a significant increase in the amount of oil being burned in power stations because it fears this would jeopardise the coal industry's recovery from its year-long strike.

News of the move emerged as the Central Electricity Generating Board announced that from next month, it would add 5.2 per cent to its bulk supply tariff - the price at which it sells electricity to 12 area boards in England and Wales.

Mr Peter Walker, the Energy Secretary, is understood to have told Lord Marshall, the CEGB chairman, that with the coal industry trying to recover from the strike, a significant increase in oil-fired generation

CEGB warned against big increase in oil burning

of electricity is out of the question. Yesterday, the CEGB identified higher coal prices as one of two main factors in its tariff increase.

It said that about 60 per cent of the rise stemmed from higher fossil fuel prices. The remainder was caused by the need to meet its share of the financial target for the electricity industry for the three years ending in 1987-88.

Lord Marshall told the Commons Energy Committee last week that because of lower oil prices, as well as cheaper coal available overseas, the CEGB was giving the NCB "an opportunity to quote lower coal prices to us to that they can retain our market."

\*Offer to bid, income not re-invested, calculated over period 21.11.85 - 15.2.86



MARKETS

II WEEKEND FT

An engaging week in more ways than one

UNLESS YOU happen to be a heavy cigarette smoker...

performed worse, while the All-Share rose by 1.1 per cent...

London

The whole package looks positive for the equity sector...

where the final call is due early next month...

On the electricals/electronic bid front...

judgment will not be given until next week...

Nevertheless there are a few points to make...

Post Budget fears that there might be a squeeze on defence spending...

Interests of English China are not chunky enough...

One of the best performing shares of the past month...

Monday's purchase, at prices of around 325p...

Ferruzzi is after British Sugar. The idea is that the rest of Berisford...

If the Italians make their move, Tate & Lyle...

Dee Corporation, past master of the bid scene...

Unlike many of its UK acquisitions Herman's is a well run business...

The reduction in income tax will bring companies a small benefit...

MARKET HIGHLIGHTS OF THE WEEK

Table with columns: Price y/day, Change 1985/86, 1986/86, Budget/interest rate considerations. Rows include FT Govt. Sec. Index, FT Ordinary Index, Bass, Berisford (S. & W.), CRA, Charter Cons., Combined English Stores, DRG, Distillers, Legal & General, Marks & Spencer, NatWest Bank, Pleasurama, Rentokil, RTZ, St. Ives, Tarmac, Tomkins, Trentcontrol, Ultramar.

Benefits from the Budget

Chancellor Nigel Lawson had no specific messages for the USM on Tuesday...

The reduction in stamp duty on share purchases was welcomed by the market...

The market has long looked a little large for the USM...

ACT the benefit will be an actual reduction in tax payable; broker Hoare Govett calculates that up to 10 per cent of USM companies fall into this category...

Central made a better-than-expected £11.9m for 1985 against £10m the year before...

Central has long looked a little large for the USM but has been prevented from moving to the main market...

Central made a better-than-expected £11.9m for 1985 against £10m the year before...

Richard Tomkins

COMPANY NEWS SUMMARY

TAKE-OVER BIDS AND MERGERS

Table with columns: Company bid for, Value of bid per share, Market price, Price before bid, Value of bid £m, Bidder. Rows include Aaronite Group, A.C. Cars, Bush Radio, Campair Intl, Clive Discount, Ctry Gentlemans, Cope Allan, Dew (George), Distillers, Distillers, Dixon (David), First Castle Elect, Gomme Holdings, Group Lotus, Haslemere Estates, Home Charm, Imperial Group, Inn Leisure, Kennings Motor, MacCarthy's Pharm, Martonair Intl, McCornquodale, MCD, Newman Tonks, Promotions House, Rank, Shaw Carpets, Somportex, Somesson, Spencer Clark, Staffs Foterles, Staffs Potts Pres, UKO Intl, Utid Com & Tech, Utid Com & Tech, Wadkin, Watson (B. Klyn), Williams (J.), W.W. Water, Alida Hldgs, Ansbacher, H., Auto Products, Bauro Ltd, Beatson Clark, Bondingtons, Brolly, Bronx Egg, Cambridge Elec, Central TV, Church & Co., Clarke, T., Clyde Pet, Cons (Cmp & Fa), Conner Mkt Prod, Davidson Pearce, Davies & Metcalfe, DRG, Expamet Intl, Greenfield Hldgs, Hamlyn Milling, Hec Ceramic, Hunter, Invergardon Dist, Jones & Shipman, Jourdan, T., Kade Intl, Legal Prop, Legal Prop, Lorlin Elec, Mackay, Hugh, Metaltrax, Morgan Grenfell, Norank Systems, Octopus Pub, Panton, Pittar, Sentokil, Ryan Intl, Sale Tilney, Schroders, Sharpe & Fisher, Sinter, Smith & Nephew, Stockley, Superdrug, Suter, Turner & Newall, Watmoughs, Wickes, Willis Faber, WW.

PRELIMINARY RESULTS

Table with columns: Company, Year, Pre-tax profit (£000), Earnings per share, Dividends per share (p). Rows include Alida Hldgs, Ansbacher, H., Auto Products, Bauro Ltd, Beatson Clark, Bondingtons, Brolly, Bronx Egg, Cambridge Elec, Central TV, Church & Co., Clarke, T., Clyde Pet, Cons (Cmp & Fa), Conner Mkt Prod, Davidson Pearce, Davies & Metcalfe, DRG, Expamet Intl, Greenfield Hldgs, Hamlyn Milling, Hec Ceramic, Hunter, Invergardon Dist, Jones & Shipman, Jourdan, T., Kade Intl, Legal Prop, Legal Prop, Lorlin Elec, Mackay, Hugh, Metaltrax, Morgan Grenfell, Norank Systems, Octopus Pub, Panton, Pittar, Sentokil, Ryan Intl, Sale Tilney, Schroders, Sharpe & Fisher, Sinter, Smith & Nephew, Stockley, Superdrug, Suter, Turner & Newall, Watmoughs, Wickes, Willis Faber, WW.

INTERIM STATEMENTS

Table with columns: Company, Half-year to, Pre-tax profit (£000), Interim dividends per share (p). Rows include A&G See Elec, Armstrong Equip, Barratt Dev, Blanchards, BM, Browns, Charlie, Cambers & Fergus, Duntson Group, Gen S. R., Goodman Bros, HTV, Logica, LWT, RAI, Wayhoe Foods, Pacific Sales, Park Place, Paterson Zoch, Pennine Res, Prestwich Hldgs, Reishlaw, Sand Mrs Elder, Scholes, G. H., Sheldon Jones, Star, Strong & Fisher, Tay Homes, Thorpe, F. W., TSW TV Sth West, Walker, T., West & Country.

RIGHTS ISSUES

Alida Holdings—To raise £1.60m through a one for four rights issue at 140p.

SCRIP ISSUES

Alida Holdings—One for two. Jourdan, Thomas—One for one. Metaltrax—One for 10.

BATS set to make only £1150m

THE MARKET has been so well prepared for a lacklustre performance that when BAT INDUSTRIES' end-of-year results surfaced on Wednesday...

At BRITISH AEROSPACE, the strength of orders for Tornado aircraft...

INTEREST RATES: WHAT YOU GET FOR YOUR MONEY

Table with columns: Quoted rate %, Compounded return for taxpayers at, Frequency of payment, Tax (see notes), Amount invested £, Withdrawals (days). Rows include CLEARING BANK, BUILDING SOCIETY, NATIONAL SAVINGS, MONEY MARKET ACCOUNTS, BRITISH GOVERNMENT STOCKS.

Results due next week

share as its trading format looks increasingly tired. Meanwhile, the F. W. Woolworth chain itself should have had an excellent Christmas...

BATS set to make only £1150m

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\* Lloyds Bank. † Halifax. ‡ Held for five years. § Source: Philip Lips and Drew. ¶ Assumes 4 per cent inflation rate. 1 Paid after deduction of composite rate tax, credited as net of basic rate tax. 2 Paid gross. 3 Tax free. 4 Dividends paid after deduction of basic rate tax.



# Shivers at the witching hour

IT HAS been one of those weeks on Wall Street when it did not pay to spend too long at the water cooler impressing the messenger, and secretaries with details of one's latest stock market triumph. Half an hour away from the ticker tape and the market could have moved a dozen points either way.

US share prices have been volatile in the run-up to what has been dubbed the "triple witching hour" — the final hour of trading yesterday, Friday was one of just four days each year when stock index futures, options contracts and individual stock options all expire on the same day. For professional investors, who use powerful computers to execute complex trading strategies, it's a time when index products move out of line with

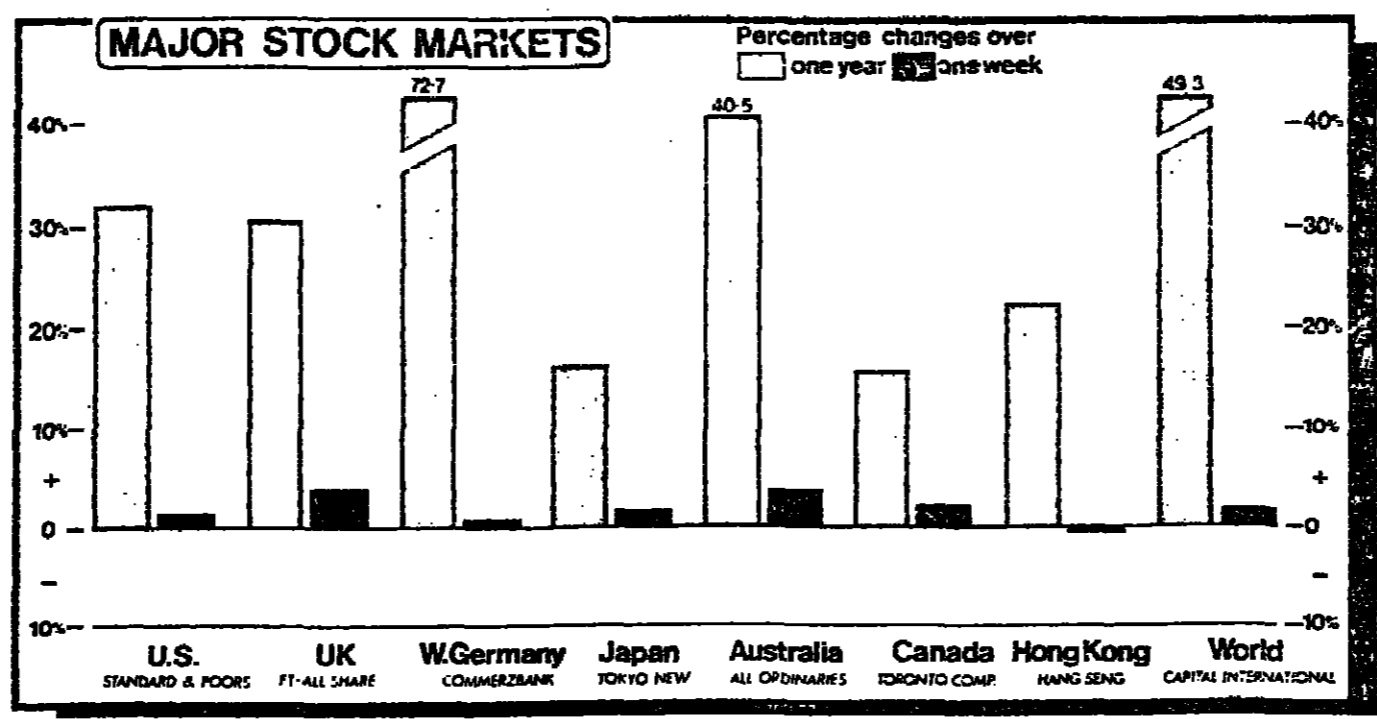
## Wall Street

underlying stock prices, this is the day of reckoning.

Given the dream-like upward momentum of Wall Street over the past six months, the imminent arrival of the "hour" was being viewed by more superstitious investors as some kind of cosmic event akin to the appearance of sun spots. All week long, investment advisers have been warning the small investor to beware.

After the previous week, the best and busiest week on record for US share prices with the Dow Jones Industrial Average putting on close to 100 points, the present week started on a soft note with the Dow losing 10 points on Monday. However, the next day it recovered, and on Thursday evening it had regained some of the 199 level for the first time, with much of the share buying activity being related to yesterday's expiration of stock index futures contracts.

Wall Street remains in a bullish mood and Shearson Lehman Brothers told its clients that it expects the Dow "to probe 2,000 in 1987". The stocks of the drug companies were especially strong this week, with Eli Lilly (\$69), and Pfizer (\$89) both hitting new highs. With the dollar hitting new lows against major currencies, analysts are expecting big things from the drug companies. Shares of the big US car manufacturers were also star performers this week. General Motors shares hit a new peak of



# The heroes who fell from grace

THE SWEDISH stock market has been going through turbulent times. Only three weeks ago — on Black Thursday, February 27 — it suffered its biggest-ever fall in a single day following the shock announcement from Njell-Olof Feldt, the Finance Minister, that the Government was planning to double the turnover tax on share trading from 1 to 2 per cent — in spite of repeated denials in recent months from Mr Feldt and other ministers.

However, the market shrugged off its worries to the extent that by Thursday this week it had passed its previous peak of 850.4, reached on the Vikings Affair (VA) Index in January, and soared to 882.

Barely 24 hours after Black Thursday, the nation was numbed by the assassination of Olof Palme, the Prime Minister, on an open street in the middle of Stockholm, but the ruling Social Democrat Party moved fast to fill the political vacuum; and even before the markets re-opened it was clear that the party had closed ranks solidly behind Ingvar Carlsson, the deputy Prime Minister.

However, the change of leader does nothing to alter the fact that the Swedish stock market is labouring under a heavy political cloud following recent revelations about a series of deals, that have served to cast doubts on the ethical practices. Indeed, Mr Carlsson announced: "A special committee of inquiry has been set up to

look into certain stock exchange transactions. The Government will take those measures that may be necessary to restore respect and confidence in the Swedish Stock Exchange."

The committee to which he referred is the so-called Leo Commission, established at the end of last year to examine, in particular, the directed share issues in Leo made by its parent company, Sonesson's, a Swedish engineering and pharmaceutical group quoted on both the Stockholm and London stock exchanges. The turmoil which blew up last November led to the resignation of Hans Eric Orin, the Sonesson's chairman and group chief executive; and also dragged other prominent Swedish industrial names such as Frisvolder decided to hang on to his holdout.

A couple of years ago, as the stock market was still riding on the crest of its extraordinary three-year boom, leaders of the business and financial community began to emerge, rather astoundingly, as the new dynamic heroes of Swedish society. Much of that glitter has started to look decidedly tarnished in recent months, though, as one scandal has followed another — often accompanied by rather extraordinary media hype, it must be said. The Social Democratic Government and the rest of the Swedish labour movement have been quick to make political capital out of the market's fall from grace.

"Industrialists are not the heroes we were some time ago," the chief executive of one of the country's top corporations admitted this week. "And in some way, we will have to pay for it." Part of the payment is already apparent in the Government's announcement of the doubled turnover tax. Mr Feldt made clear that his decision to drop his earlier opposition to increasing the tax had been influenced in no small way by "the scandals and the misuses of power that have happened in the market."

As an extra jab at the business and financial sectors he announced a tightening of the deductions rules for expense account entertaining, claiming the move was in the interests of the nation's health. "It

## Stockholm

as Pehr Gyllenhammar, the Volvo chairman, and Hakan Frisvolder, Volvo's managing director, into the mire.

Sonesson's is a Volvo affiliate and both Mr Gyllenhammar and Mr Frisvolder had bought shares in Leo as part of the controversial directed issue that was tightly restricted and not made available on the same terms to all Sonesson's shareholders. At an emotion-charged press conference late last year Mr Gyllenhammar announced he was selling his Leo shares at cost to a cancer fund, but Mr

INSTANT BORROWING, using unit trust investments as collateral, is a special feature in a scheme launched by Orion Royal Bank this week. Orion, a subsidiary of the Royal Bank of Canada group, is introducing two UK authorised unit trusts.

Called RBC Select Growth Trust and RBC Select Income Trust, they will invest primarily in UK equity markets although up to 20 per cent of the total funds may go into overseas markets. London stockbrokers, Kitcat & Aitken, will shortly also become a subsidiary of the Royal Bank of Canada and they will be providing the investment expertise for the new UK based unit trusts.

However the real innovation is the simultaneous launch by Western Trust and Savings, another subsidiary of the Royal Bank of Canada, of a cash withdrawal scheme called UnitCash. Under this scheme investors in the two new unit trusts will be able to withdraw cash from automated tellers machines (ATMs) in amounts of up to £200 a day with a ceiling of 70 per cent of the market value of the units they hold.

Western Trust is a member of the Link money machine consortium, which has about 175 automated cash dispensers throughout the country, but plans to add a further 700 machines by the end of the year and reach a total of 1,100 dispensers by the end of 1987.

Since it is a secured loan, against the value of the investor's unit trust holdings, the rate of interest charged will be well below that imposed by clearing bank credit cards using automated cash dispensers, such as Access and Barclaycard.

The Unitcash borrowing cost is 20.3 per cent APR annual percentage rate as compared with 26.8 per cent charged to users of Access and Barclaycard.

The Unitcash interest rate is not particularly competitive when compared with normal secured loans from a bank, which range from 1 per cent to 7 per cent above base rate according to your credit status and relationship with your local bank manager.

BUILDING SOCIETIES were unusually quick to cut their mortgage rates this week after the fall in interest rates encouraged by the Budget. Almost immediately after the main clearing banks announced a cut in base rate from 12.5 to 11.5 per cent, Abbey National and Halifax, the two leading societies, lowered their rate for all mortgages to 12 per cent. Several other societies quickly followed.

However, it does provide a opportunity to obtain unsecured cash requirements instantly with no question asked.

The Royal Bank of Canada already has over \$100m under management in its offshore funds. But the new UK based unit trusts, and cash withdrawal schemes, are described by Christopher Chataway, chairman of Orion Royal Bank Trust Managers, as the first of a series of initiatives to expand its activities in Britain together with Kitcat & Aitken.

THE FINAL few weeks of a financial year is when most self-employed people get down to considering their pension arrangements, and what contributions should be made for that financial year.

To encourage them to settle their pension affairs, a number of life companies are making bargain offers available from now until April 5.

Crown Financial Management is offering extra unit allocation on both regular and single premium contracts taken on now.

For annual premium between £500 and £1,000 (a monthly equivalent), 3 per cent extra units will be added. For annual premiums of £1,000 or more, an extra 5 per cent will be given — effectively abolishing the bid-offer spread.

Single contributions will attract an extra 1 per cent.

Scottish Mutual Assurance Society is giving an extra 1 per cent allocation on all premium for all linked individual pension contracts.

Scottish Widows is also offering an extra 1 per cent high unit allocation or 1 per cent on the guaranteed cash value on traditional contracts.

The rates change is being used as an opportunity, by those societies which have not already done so, to remove the differential previously charged on endowment mortgages following the trend set by the banks before the Budget. This means that while the basic rate has come down by 0.75 per cent, the cost of endowment mortgages has dropped by a larger percentage depending on the premium charged previously.



# Gartmore

## FUND MANAGERS OF THE YEAR

Only the best unit trust managers produce funds that are consistently successful. That's why "What Investments" comprehensive five year performance study makes Gartmore "Fund Management Group of the Year."

We have investment specialists managing 21 unit trusts covering all the world's major markets from investment offices in London, Glasgow, Hong Kong, Tokyo, San Francisco and Sydney. And with more than £2.2 billion investor's money under group management, that means success in anyone's language.

Some of Gartmore's top performing funds	*Total return on £1000 after 5 years	Total return on £1000 after 5 years
Gartmore Income Fund	£3461	Building Society £1609 <small>Income assumed at 2% over the actual Building Society ordinary share rate.</small>
Gartmore Japan Trust	£3300	
Gartmore British Trust	£2665	
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\*Offer to bid, net income reinvested, 1/1/81 to 1/1/86. Source: Money Management Magazine

For more information on Gartmore's top performing unit trusts, telephone 01-623 1212 or send this coupon to Gartmore Fund Managers Limited, 2 St Mary Axe, London EC3A 8BP

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## Gartmore

The Fund Managers

# PEARSON

## Results in Brief

	1985	1984
Turnover (excluding banking and investment income)	£970.1m	£843.2m
Profit before interest	£124.6m	£110.0m
Profit before taxation	£109.3m	£99.4m
Profit after taxation and minority interests	£57.6m	£54.1m
Earnings per ordinary share	30.0p	28.9p*
Dividends per ordinary share	10.0p	8.5p*

\*After adjusting for one for one scrip issue, May 1985.

**Dividend**  
The directors recommend a final ordinary dividend of 5.75p net per share, payable on 30 May 1986 to shareholders on the register at the close of business on 2 May 1986.

**Report and Accounts**  
The 1985 report and accounts of Pearson plc will be posted to shareholders on 9 April 1986.

**Annual General Meeting**  
The annual general meeting will be held at Millbank Tower, Millbank, London SW1 on 2 May 1986 at 12 noon.

# PEARSON

Information and Entertainment	Engineering	Merchant Banking	Finance	Oil and Services
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Pearson plc, Millbank Tower, Millbank, London SW1P 4QZ

The figures for the year ended 31 December 1985 have been extracted from unaudited financial statements which have not yet been delivered to the Registrar of Companies.

The Chester family viewpoint

The gilt rubs off the gingerbread

"WELL ALL have to start being nicer to grandfather and grandmother," said David Chester jokingly to his daughter at the Chester family's post-Budget breakfast.

relations or friends irrecoverably or keep it just in case something goes wrong or you live much longer than expected. It just depends on how much you love and trust your beneficiaries.

Monory plan in France, it is really quite different. Under the French scheme, investors are able to deduct the admittedly modest allowance of FFfr 5,000 (about £500) a year from their taxable income.

suddenly take a dive," said David. "I would have thought the person most pleased by the Budget is your sister Bridget. She's always going on about giving more to charity. Now we'll all be able to do so, and what's more so will companies.

Highlights of the Budget

INCOME TAX: Basic rate cut by 1p in the £ to 29 per cent. Main thresholds and allowances raised by 5.7 per cent. Income bands for higher rates lifted by £1,000.

but will be extended to cover more transactions. VAT: Threshold up by £1,000 to £20,500. CHARITIES: Plans for tax relief to be given on donations of up to £100 a year deducted from individual employees' pay.

Life in the old bull yet



The stock market has greeted the Budget with enthusiasm and shares have risen accordingly

THE STOCK market has already reacted gleefully to this year's Budget and to the cut in interest rates that followed it on Wednesday.

ments Mr Kenneth Inglis of London stockbrokers Phillips & Drew. "And with high cash balances still proving oppressive for many fund managers, the chances of a major downward break in the market look remote.

lieve yields will fall further this year." The details of Mr Lawson's Budget have brought immediate gains to some sectors of the stock market, and equally immediate losses to others.

lieve the underlying economic factors will maintain interest in the sector," says Laurie Milbank. "and the ensuing flow of good news including legalised Sunday trading should keep the sector moving ahead of the market."

Ignoring this advertisement could cut your pension in half

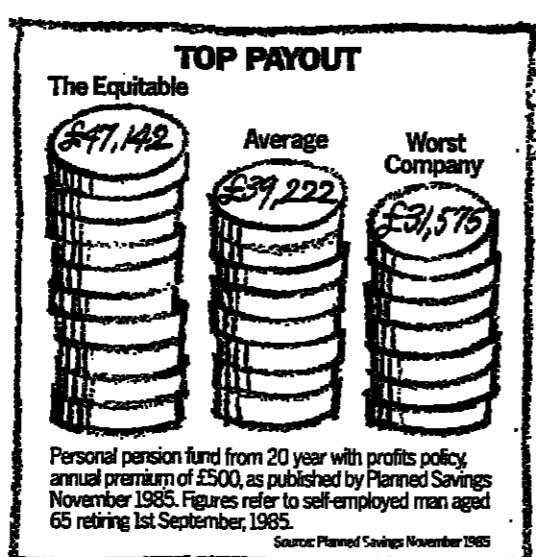
When it comes to their pension, many otherwise shrewd people make decisions which defy common sense. Not that it's easy to decide how to get the best results from the pension you may be planning to arrange.

MAXIMUM FLEXIBILITY. Contributions can be varied. THE VALUE OF YOUR FUND. YOUR CONTRIBUTIONS. What happens if you retire early?

And you must be sure there is a broad range of investment options. WIDE CHOICE. Managed Fund, Property Fund, Money Fund, Special Situations Fund, High Income Fund, Equitable Pelican Fund, North American Fund, Far Eastern Fund, Gift & Fixed Interest Fund, Fund of Investment Trusts, With profits policies.

Next, you must satisfy yourself you won't be pouring money, year after year, into a company which will pay out a fraction of what could have been achieved elsewhere.

Of course the past cannot guarantee the future, but you must be certain the company's policies have a record of delivering outstanding performance. UNRIVALLED TRACK RECORD. The Equitable Life. Our nearest rival.



You may want to bear in mind that The Equitable Life is unusual in not paying commission to brokers or other middlemen. Which is why these people may be reluctant to recommend The Equitable.

NO MIDDLEMEN. The Equitable. Your money 100% into The Equitable. Most companies. Your money. Middleman takes slice. As little as 50% is invested in first year.

What's more, unlike most companies, we invest every penny of your unit-linked contributions. We have no policy charges and we don't use capital or initial units with high annual fund charges.

NO POLICY CHARGES. With The Equitable 100% is invested right away. We do not use capital units and there are Bonus Units for regular savers. Almost every other company's charges under regular contribution unit-linked policies effectively cut your investment by as much as 50% in the first year, or even the first two years.

In all respects, you'll find that The Equitable's efforts on behalf of policy holders consistently give unrivalled results. One reason is that, unlike most of our competitors, there are no shareholders to nibble away at the profits.

And, as the oldest mutual life office in the world, which first put into practice the sound actuarial principles all other life offices have copied, we have a reputation for innovation and fairness to live up to.



The result is that The Equitable now has funds under management totalling over £2,000 million. Our standing with those professionally concerned with pensions is demonstrated by our record of success with Additional Voluntary Contribution (AVC) schemes which companies set up for their staff.

No. 1 IN A.V.C. PREMIUM INCOME. The Equitable Life. £28.8m. No. 2 Life Company £13.0m. No. 3 Life Company £8.0m. No. 4 Life Company £4.0m.

We admit that deciding which pensions company to go to is difficult. But remember that your choice can mean the difference between tightening your belt when you retire, or continuing to enjoy a high standard of living.

The Equitable Life. You gain because we're different. Founded 1762.

Another Record Year from Temple Bar Investment Trust. Highlights for the year ended 31st December 1985. Group profit attributable to ordinary shareholders £3.202m, up 13.71%.

How to invest in the 80's for growth in the 90's.

Our conference on April 5th offers the individual investor an important explanation. Free of charge. We will be assessing the present and future financial climate to position you for a period of lower inflation, lower interest rates and stock market growth.



# Our U.K. Equity Fund came out top over the last two years.

(According to independent surveys measured over '84 and '85, we wouldn't be seen anywhere else. In fact, all our Pension Managed Funds appeared in the top eight.) UK Provident, United Kingdom House, Castle Street, Salisbury SP1 3SH. Tel: Salisbury (0722) 336242.



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Present intention is for a USM Listing
Group is comprised of two manufacturing and one distributing company covering different areas of the electronics industry
The founder company formed 13 years ago with the original directors fully involved and committed to the future expansion
Excellent spread of customers, products and suppliers

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Copies of the prospectus are available from:

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This advertisement is not an invitation to subscribe for or purchase any shares.

Stamp duty

Forward to Big Bang day

IT WAS a better Budget for players of the equity market than housebuyers. Anyone spending more than £30,000 to acquire a home will still be caught for 1 per cent stamp duty: but from October 27—Big Bang day in the City—the duty payable on share purchases will be halved to 0.5 per cent. The cut, not wholly unexpected, was accompanied by widening of the duty net scooping up areas such as trading shares in the stock exchange account—that until now had escaped the oldest tax in the land. Mr Lawson has also put paid to the efforts of stamp duty planners who have been reducing the costs of takeovers by playing with the target company's share capital. In fact, he is capitalising on the present hectic level of takeover activity by imposing the duty on takeovers and mergers in general. The dropping of the duty rate is an obvious plus factor for anyone who invests, although not for those who make themselves busy trading in and out of equities within the same account to avoid paying for their shares. The important changes as far as small shareholders are concerned are as follows. Until now, letters of allotment which have been issued against new shares—when a company joins the stock market or makes a rights issue, for example—have been traded free of stamp duty. After the Big Bang, stamp duty will have to be paid when the allotment letter is exchanged for shares if the person is not the original investor who was allotted them. Similarly, the 0.5 per cent

Inheritance tax

Mixed blessing for families

THE introduction of capital transfer tax (CTT) in 1974 was regarded as a disaster by those who were planning to pass on their wealth to their children. However, this week's abolition of CTT on lifetime gifts, and its replacement with an "inheritance tax" modelled on the pre-1974 estate duty, is a mixed blessing. The Budget reforms have several stings in their tail. You have to survive seven years after making a large gift to avoid the tax completely—and at least three years to pay tax at a lower and diminishing rate. Equally important, the traditional strategy of making a gift with strings attached, so that you can retrieve the assets if necessary, will no longer be possible. The Government is introducing tough new provisions to close the CTT loopholes. This will undermine the effectiveness of the present off-the-shelf CTT avoidance schemes and remove most of the attractions of trusts in tax planning. For the wealthy—those with estates approaching £1m or more—the abolition of CTT has considerable attractions. They will now be able to give away a large part of their wealth tax-free. For families with more modest estates the benefits are less clear, particularly as the new tax, like CTT, will start to bite on any estate worth more than £71,000. Already, insurance companies have withdrawn the main types of CTT avoidance plans they were marketing. These were the discounted gift schemes, of which the most popular was marketed by Legal and General, and the "inheritance trusts," which made use of interest-free loans. The present value of assets in these plans is estimated at between £1.2bn and £1.5bn. The new legislation will attack the use of all trusts, except for accumulation and maintenance trusts used for children and youngsters under the age of 25. Only gifts made directly to these trusts, or to individuals, will be free of the lifetime tax charge. Gifts into other trusts will be subject to standard CTT charge. In addition, if you or your spouse retains any rights to benefit from the property you are giving away, the gift will be ineffective for tax purposes and

added back to the value of your estate when you die. Thus, the discounted gift plans which give the donor the right to the income from the property he had given away until his death, cannot survive. The same goes for inheritance trusts, which give the trustees the right to switch the trust property back to the donor. What is less clear is whether you will be able to use a modified form of inheritance trust which specifically excludes you as your spouse (although not necessarily your widow, after your death) from the list of beneficiaries. This would preserve several of the attractions of the inheritance trust. You could disinherit a child with whom you had a bust-up by switching (through the trustees) his trust property to someone else. Also, by making an interest-free loan to the trust, rather than a straight gift, you could recall the money at any time should the need arise. Stuart Chapell, of accountant Neville Russell, suggests a further possibility. You could provide for the trust to be wound up and the trust property handed back to you if some contingent event occurred. Note that gifts will only be ineffective under the new law if the donor is excluded from any benefit from the property. Thus, the gift of a house from father to son will be ineffective if the father continues to live there. But if the son sells the house and, later, helps out his father financially, the Inland Revenue is unlikely to probe too deeply into whether there was any informal understanding between the two at the time the gift was made. Some people will doubtless decide they have sufficient wealth to be able to give part of it away early without taking any risks. This might apply in particular to shares in a family business after retirement. If you are in that happy position, be sure to make a move before the next election. It is highly likely that a further Labour, or even Alliance, government would re-introduce some form of capital transfer tax. And if the new tax incorporated the tough anti-avoidance measures now being introduced by the Conservatives, it would bite much more deeply than its predecessor has done over the past 13 years. Clive Wolman

Terry Garrett

—THE EAGLE STAR FAR EASTERN TRUST—

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Japan, the leading market in the area, is already receiving a major boost from the sharp drop in oil prices. Japan is totally dependent on oil imports—as it has no resources of its own. But oil now costs Japanese industry only about a third of what it did a year ago. Imagine what that will do for Japanese competitiveness—and Japanese profits! The prospects throughout the area continue to look excellent.

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If you had invested £1,000 in our Far Eastern Trust on 1st October, 1985, your holding would have a cash value now\* of £1,334. That's impressive growth. So, we're celebrating. On behalf of all the people who invested in our Far Eastern Trust when it was launched less than 6 months ago. And who now find themselves much richer. To celebrate their success—and to make it even more worthwhile for you to join them now and share in the continuing fortunes of our Far Eastern Trust, we are making a very special offer to people who invest £1,000 or more in it before 4th April. For details see opposite.

How to Invest

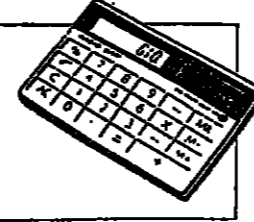
The Far Eastern Trust is available to everyone aged 18 or over. Simply decide how much you wish to invest (minimum £500)—then complete the application form and send it, with your cheque, to Eagle Star Group, (L413), FREEPOST, Bath Road, Cheltenham, GL53 3BR. No stamp is needed.

Now you can Invest by Phone

Alternatively, dial 100, ask for FREEPHONE EAGLE STAR and speak direct to our dealers. They will be pleased to take details of your investment there and then. You can also obtain further information about this (or any other) Eagle Star Unit Trust on this number. Our experts will be available to answer your call from 8 a.m. to 8 p.m. on weekdays and from 10 a.m. to 6 p.m. at weekends.

SPECIAL OFFER

FREE Sibiline Solar Calculator—If you invest £1,000 or more in the Eagle Star Far Eastern Trust before April 4th APPLY TODAY.



YOUR APPLICATION

To Eagle Star Unit Managers Limited (L413) FREEPOST, Bath Road, Cheltenham, Glos GL53 3BR In the Eagle Star Far Eastern Trust. A cheque made payable to Eagle Star Unit Managers is enclosed.

Surname (in full)
First names
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Postcode

I am/We are over 18 years of age. If the holdings are to be in joint names, please give full names and addresses of the other joint holders (maximum of 3) on a separate sheet of paper.

Signature(s)
Date
Name and address of Financial Adviser (if any)

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GENERAL INFORMATION

Price and Value. Units will be allocated of the "floating" price ruling on the date of receipt of your application. As a guide, the "opening" price of units in this Trust on 18.3.86, was 71p and the estimated gross annual income was just under 1%. No Hidden Charges. Initial costs are met by a charge of 5% which together with a rounding adjustment of up to 1% is taken into account in the calculation of "buying" and "selling" prices. Normally, the difference between these prices, known as the spread, is 0.5% (plus VAT) (plus 1% plus VAT) a year (the Trust Deed allows a maximum of 2%), deducted from the Trust's income. Income. As the aim of the Trust is to provide the maximum possible growth, all income will automatically be reinvested in the Trust on your behalf. Following The Progress of Your Investment, we will send you a Contract Note within 7 days and a Unit Certificate usually within 28 days. Both of these will state the number of units you have bought. Unit prices are shown in The Times and the Financial Times. Capital Gains Tax. The unit trust itself is not subject to capital gains tax and when you sell your units, you will not have to pay the tax unless your total chargeable gains in the tax year exceeded the tax-free threshold, which is currently: £5,000. Income Tax. Tax at the basic rate is deducted from the Trust's income, before it is reinvested for you by the managers. If you are not liable to basic rate tax, you can reclaim the amount deducted. If you only pay tax at the basic rate, you will have no further tax to pay. If you are a higher rate taxpayer you will have to pay the additional rate of tax on it. Trustees: Midland Bank Trust Company Limited, Managers: Eagle Star Unit Managers Limited, Registered Office: 1 The Grange, 55, The Grange, London EC2R 6HR. Registrar: The Royal Bank of Scotland Plc.

The Trust's Objective

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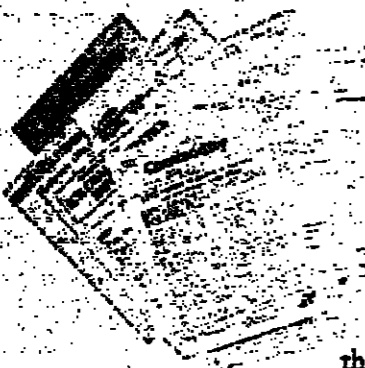
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by Alan Kelly, Partner, Grant Thornton

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A page of addenda will cover the changes brought in by the 1986 Budget.

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Personal Equity Plan Big stakes but small profits

MARKETING managers throughout the savings industry were enthusing this week over Chancellor Nigel Lawson's plan to lure small investors back into the equity market through so-called Personal Equity Plans.



"It brings the Big Bang into the High Street," claimed an executive at one of the top clearing banks, busily plotting how to combine the investment expertise of a newly acquired stockbroking firm with the marketing muscle of thousands of bank branches.

However, some savings executives were worried about how they could possibly make profits out of running PEPs which could be uneconomically small, at least in the early years. And the Unit Trust Association was preparing to mount a protest about being left out of the fun.

Phrases such as "popular capitalism" and "share-owning democracy," which rolled off Nigel Lawson's tongue on Tuesday, made it clear that the PEP scheme has a very political motivation. It is designed to give people a direct personal stake in British business and industry, and reverse the trend for people to invest through institutions such as pension funds and unit trusts.

ments will be invested in UK shares, listed on the stock exchange or traded on the OTC. The investor will have the option of handing over discretionary control of his portfolio to the PEP manager, but the investor must always have beneficial ownership.

The tax benefit arises because 20 per cent Advance Corporation Tax can be claimed back on the dividends by the PEP manager; moreover, the investor is not liable to higher rates of income tax on the dividends. Also, capital gains tax does not apply to switches within the plan, or to the profits on ultimate termination.

Our objective would be to devise a scheme which would work down to £50 a month," said Bateman. He was not yet sure if this could be achieved, but a £100-a-month plan was certain to be economic.

BUDGET

It is necessary to use direct mail shots and, perhaps, joint deals with banks and other organisations which had retail chains. Fred Carr, of stockbroker Capel-Cure Myers, thought the PEP scheme was a "great idea" but had doubts about the economics.

The big investment and insurance groups are generally reacting cautiously. "It's an interesting newcomer," said Joe Palmer, chief executive of Legal and General.

Like most potential PEP managers, L and G was concerned about the high costs of the first year or two. And although PEPs could build up to something worthwhile within a few years, there was then the risk that clients would move them somewhere else just when they were about to start making money for the original manager.

But will small investors be able to play the stock market? Probably not for quite a while. They can expect PEP managers to insist on maintaining discretionary control over the portfolios until the accounts grow quite large—perhaps to £20,000 or more. Only then will PEP investors enjoy the free run of the market place.

Homes for the workers

THE CHANCELLOR has given the green light for pension mortgages to employers. That was the message being given by at least one top life company executive after the Budget.

This claim is based on a short remark by Mr Lawson in his speech: "I intend later this year to publish detailed proposals designed to give personal pensions the same favourable tax treatment as is currently enjoyed by retirement annuities."

These pension contracts, mainly for the self-employed, allow investors to take about one quarter of the accumulated value in a tax free lump sum. This forms the basis of pension mortgage schemes for the self-employed—a method of repaying a mortgage that is highly tax efficient and thus popular.

statement means that employees coming out of their company scheme and taking a personal pension plan can use it to repay their mortgage on the same tax efficient terms as the self-employed.

However, the commutation of personal pensions is not solely the prerogative of the Inland Revenue. The Department of Health and Social Security is concerned at least with that part of the pension secured by the minimum contribution. This is regarded by the DHSS as the Guaranteed Minimum Pension (GMPs), equivalent to the pension provided by the State Earnings Related Pension Scheme (Serps) and is thus not commutable.

Only the pension secured by contributions above the minimum will be available for commutation into a tax free lump sum. Nevertheless, the potential for pension mortgages by employees using personal pensions is considerable.

However this statement does not clarify one essential feature concerning the tax treatment of personal pensions. Under a self-employed pension, contributions are paid gross to the life company; the self-employed claims the tax relief on his or her tax assessment.

On company pension arrangements, the employee has his pension contributions deducted at source; the tax relief is credited automatically. It would be administratively convenient for contributions to a personal pension to be paid net of basic rate tax—a Miras style arrangement. A point for the Treasury to bear in mind.

Eric Short

Charities

Incentive to give more

HIDDEN in the small print of this week's Budget was a tax provision which could boost donations to charity by one particular group of possibly affluent people—directors and shareholders of private companies.

The Chancellor briefly indicated in his speech on Tuesday that he was abolishing the £10,000-a-year upper limit on covenant donations for which individual taxpayers can claim higher rate income tax relief.

logic to Mr Lawson's move—even if it was concealed beneath the technical language of an Inland Revenue press statement.

By removing the £10,000 limit, Mr Lawson has taken away a possible disincentive for gifts by companies and their directors and shareholders—giving them added scope for tax-efficient donations.

A close company is defined as a company controlled either by five or fewer participants (which normally means shareholders), or by its directors. Under the 1972 Finance Act, a charitable covenant paid by the company may have to be "apportioned"—or divided equally—among its participants.

This means, in effect, that the covenant is treated for tax purposes as part of each individual's tax assessment—with the result that a gift made by the company could take the individual's tax assessment over the £10,000 limit on the covenant donation for which he can claim higher rate tax relief.

Nick Bunker

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Business Expansion Schemes

Back where it ought to be

IN LAST WEEK'S Spectator, Nicholas Coleridge wrote about the generous schemes of the City...

Deciding whether or not to withdraw such schemes depends on balancing the relative merits of the business potential of the investment with the tax benefits to be gleaned elsewhere.

Select Appointments raised £400,000 through the scheme in late 1983. It has bought itself out of one of the Electra funds, for £1.3m, which represents a combination of compensating investors for their lost tax relief and some return on investment in a company which has expanded rapidly thanks to their launch capital.

The Budget tempered the introduction of investor incentives with the exclusion of the types of issues, which are least sympathetic to the scheme's original job creating, entrepreneurial ethos.

Hot-line advice A HOT-LINE telephone service offering free advice on the Budget, and what action you should take before the end of the financial year, has been organised by the Institute of Chartered Accountants.

Jardine Matheson Holdings Limited Closure of Register of Members NOTICE is hereby given that the Register of Members will be closed from Monday, 21st April, 1986 to Friday, 2nd May, 1986, both days inclusive, to establish the identity of those shareholders entitled to the dividend for the year ended 31st December, 1985.

Association of Lloyd's Members THE ONLY BODY TO REPRESENT LLOYD'S NAMES AS A WHOLE offering: Lloyd's Syndicate Results, published annually, analysing in some 50 pages all syndicates operating in the last closed year.

Tax changes

Jam next year



THE EFFECT of the changes in the Budget taxation proposals range from removing a married couple with a single £70.29 a week earner from the income tax system...

To start with, a couple with income of £70.29 per week last year would need to have increased that income to £74.30 per week this year to have maintained the real level of their income.

This decline is attributable to the only real income tax reduction provided by the Chancellor, the cut in basic rate.

At the £8,000 income level, tax as a proportion of income has declined in real terms by around 0.7 per cent for single persons and 0.5 per cent for the married couple with a single earner.

Had the Chancellor, instead of reducing the basic rate, decided to increase personal allowances by 10 per cent (a 4.3 per cent real increase) the effect would have been reversed...

When the scheme first surfaced investors tended to favour funds. In the first year, according to Peat's report, 29 per cent chose funds, 38 per cent direct issues, while 33 per cent, generally those in the top tax bracket, plumped for both.

Alice Rawsthorn again during the same hours from April 1 to 4. Chartac Moneyline, as the service is called, is an extension of the pilot scheme operated by the Institute's London Society last year, which received more than 1,200 enquiries.

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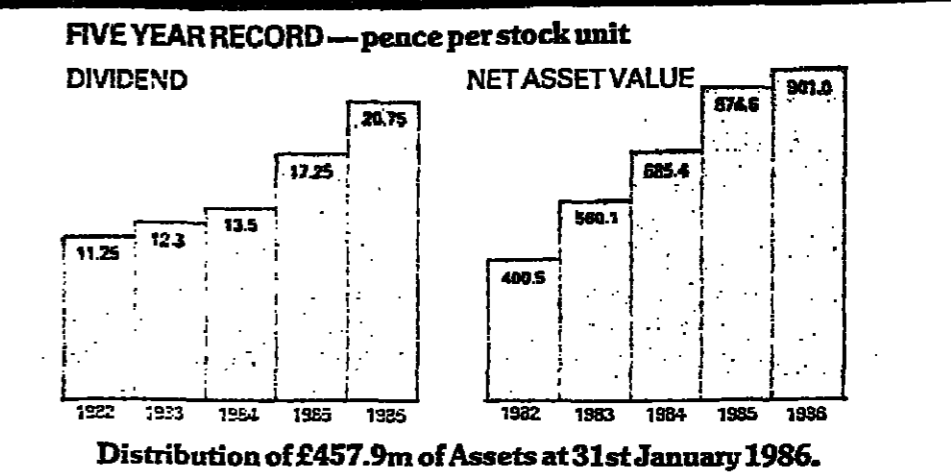
with children will benefit from a 10p increase to £7.10 per week in the rate of child benefit from July 1986.

In assessing the change in your financial circumstances for 1986-87, the income tax changes cannot be looked at in isolation. From April 6 the national insurance thresholds are increased.

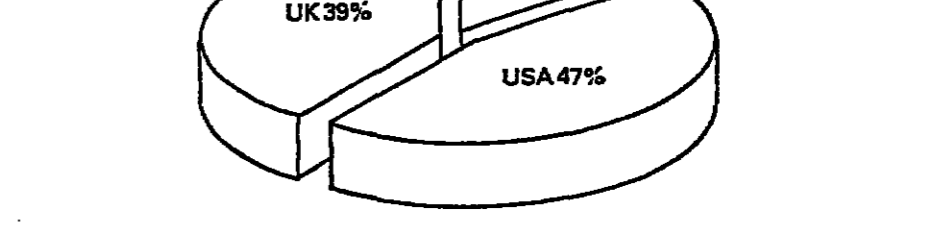
The lower earnings limit, below which no contributions are due, moves from £35.50 to £38 per week and the upper earnings limit, above which the employee pays no further contributions, from £265 to £285 per week.

If you have a company car, and free petrol, you will also have to consider the increase in the scale benefit charges. A person with a new Ford Sierra 1.6 and business mileage between 2,500 and 18,000 per annum, for example, suffers a basic increase from £625 to £575 in both the car and the petrol scale benefits. Those

The Alliance Trust PLC New Records from independently managed investment trust



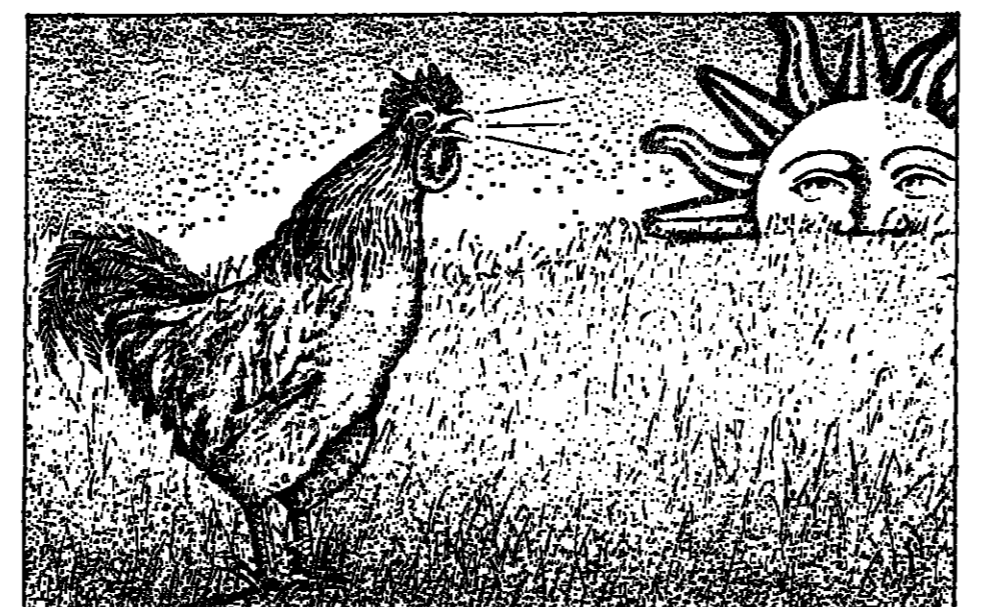
Distribution of £457.9m of Assets at 31st January 1986.



- In the interests of the large number of private shareholders, our balanced policy of income and capital growth remains appropriate. ● A 20% increase in the Ordinary stock dividend. The compound income growth of 14% per annum over the last 5 years has been more than twice the rate of inflation. ● 23% compound growth rate in net assets over the last 5 years. ● High quality and marketable investments worldwide are favoured.

For a copy of the Report and Accounts please return to The Secretary, The Alliance Trust PLC, 64 Reform Street, Dundee DD1 1TJ

We already have the most successful European unit trust. Why launch another?



European Growth Portfolio: Number One.



European Income Portfolio: Newly Hatched.

Almost all the gains in Europe over the past year have been for the benefit of investors who want capital growth. The investor who wants a good and growing income has largely been excluded. To remedy that, we're launching the new Sun Life European Income Portfolio. It enables the investor for income to enjoy the fruits of the European stock markets as fully as investors for growth have done. It can do so because the economic outlook in Europe continues to look very bright. It can do so because the whole basis of the spectacular capital growth we've seen in recent months is the promise of higher yielding equities. And, just as importantly, our European Income Portfolio can do so because it's managed by an outstanding investment team. They're the team responsible for the success of our European Growth Portfolio, up 85.2% in the nine months since its launch, outperforming not only every unit trust in Europe but every other unit trust.

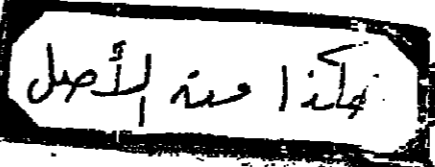
This isn't a one-off wonder either. Five of our other Professional Portfolios are in the top five in their sectors. Behind this success, lie all the resources and experience of the Sun Life Assurance group, which has funds of over £3.5 billion under management. We're confident that our new European Income Portfolio will prove every bit as successful. Until April 11th, you have the opportunity to join in this success at a fixed opening price. To take advantage, please speak to your professional advisor. Alternatively, complete the coupon or telephone 01-606 6010.

EUROPEAN INCOME PORTFOLIO To: Sun Life Trust Management Limited, 107 Cheapside, London EC2V 6DU. Please send me more information on the European Income Portfolio and the other Professional Series Portfolios. Name: Address: FT 2/3 All statistics: Planned Savings 13.86 offer-to-offer, income re-invested.









Making a will

A tale of two couples

MANY PEOPLE regard making a will as a bad omen and avoid thinking about it... John's estate consisted of the house, valued at £150,000, the life policy, worth £34,000, pension payment refunds, and investments and savings of £27,000; a total of £211,000.

My daughter's cost of living

My daughter is just starting a mortgage to buy her own small flat... When I was widowed I legally made her joint owner of our house... It has always been her main residence, and still will be 'home' even when she is living at her flat, and coming home for weekends.

A share of the house

My husband's uncle left a will which stated that on the death of his wife, the house would belong jointly to my husband and my husband's cousin... I should sell this property at some future date and move to a smaller place, then presumably neither of us would pay capital gains tax on our halves of the 'profits'.

Rolled-over gains

How do you index a rolled-over gain for CGT? I bought land in 1970 at £250 an acre and sold for £1,500 an acre in August 1984... I rolled the gain over into holiday flats. When I sell the latter, to what value is indexing applied?

A gift to charity

I would like to make a gift to a charity and wonder if it is possible to transfer shares in a quoted company without the charity or myself incurring capital gains tax?

A wife and gains tax

I am a married man and when



I'd like everything to go to my wife. I hold a number of shares showing good capital gains. On my death will my wife have to pay Capital Gains Tax on these shares on the basis of what I paid for them?

Solicitor's costs

In his Will my father left me some Hong Kong registered shares, and to obtain them my solicitor in this country has had to utilise the services of a Hong Kong solicitor... I appreciate that my solicitor's bill of costs for services rendered in this country will attract VAT at 15 per cent.

The Investment Trust Table

Table with columns for Investment Policy, Management, Share Price, Yield, Net Asset Value, Geographical Spread, Gearing Factor, Total Return over 5 years, and Total Return over 28.26 years. Includes sections for Capital & Income Growth, International, Far East, and Commodities & Energy.

Investment Trusts. Your shares of the action. SEND FOR YOUR FREE COPY TODAY. This booklet explains in simple everyday language how Investment Trusts work...



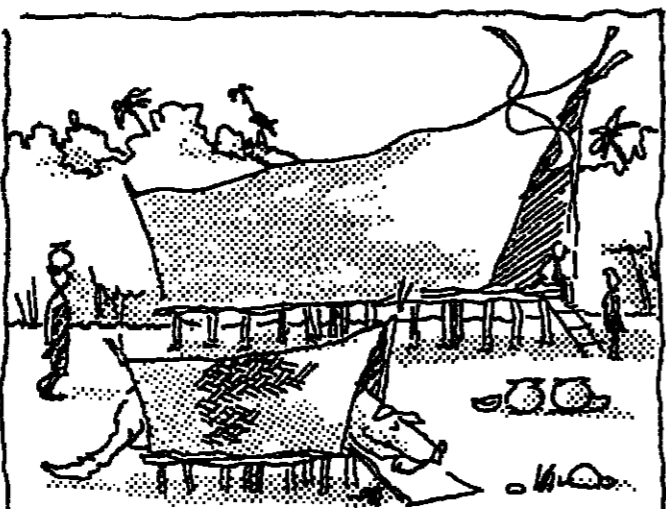
TRAVEL • MOTORING

April 1986

Swinging monkeys and blind dolphins: Alain Cass reports

Jungle jaunts in deepest Borneo

AS DAWN BREAKS over the Mahakam river in central Borneo...



Alain Cass reports on his trip to Borneo...

Up on deck David Boyce... the Mahakam river in central Borneo...

Borneo, or Kalimantan as it is called by the Indonesians... it means 'Isle of Ganges'...

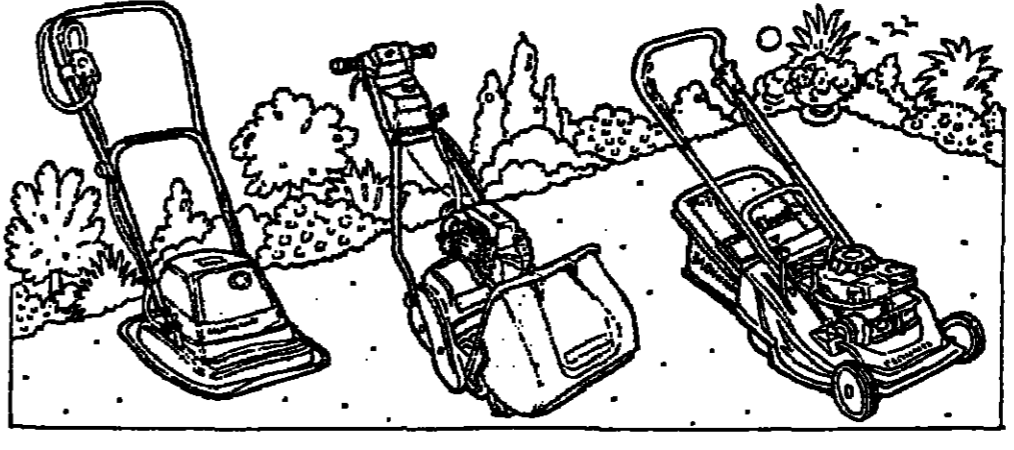
peculiar delight in travelling for days in the company of leeches and sleeping at night with mosquitoes...

reaches of the Mahakam, have to make do with old stock...

A shower and breakfast and we were ready to plan our trip further upriver...

Neither the motorcross nor this particular longhouse is on the usual tourist route offered by the operators...

Arthur Hellyer on the latest in lawn-mowers



Splendour in the grass

IT IS convenient to consider lawn mowers in three price groups each of which serves its own market...

Who wants to buy Land Rovers?

THE CONTROVERSY over General Motors' wish to take over Land Rover is understandable but some of those shouting the loudest seem to be rather light on facts...

Holidays and Travel Overseas

air europe advertisement with logo and text: On Schedule with Service. Now you can fly to Gibraltar by Air Europe...

India advertisement: The TAJ TOUR - Delhi 4 nights, Agra 2 nights, Jaipur 2 nights - incredible value from only £561

Bahamas

The Bahamas advertisement: The richest sportsground in the world. Come to The Bahamas to enjoy your sport at its best...

U.K. Hotels advertisement: Escape to the peace of the Island Hotel Tresco

Flights

COLUMBUS advertisement: COLUMBUS TRAVEL SERVICES. The introduction agency for the 40s, 50s and 60s

Personal advertisement: OLD FRIENDS DOES LIFE BEGIN AT MARRIAGE, FRIENDSHIP OR COMPANIONSHIP

£200 For Your Old Mower - At Least! WESTWOOD DOES MORE THAN ANY OTHER GARDEN TRACTOR - YET STILL COSTS LESS!

Tuck into the Mazda advertisement: THE FIRST time owners of the new Mazda RX 7 go away for the weekend, they will bless the importers...

THE DORSET SQUARE HOTEL advertisement: A SMALL ELEGANT ENGLISH HOUSE HOTEL

Activity advertisement: Give your child a brighter summer with 201 exciting film activities...

Legal Notices advertisement: BANQUE DE CREDIT INTERNATIONAL. EN LIQUIDATION

WANT TO SPEAK FRENCH? advertisement: You can, through the "TOTAL APPROACH" to French

Byron pilgrimage

Poetry in a four-poster

THERE IS still time to join the Byron Society's annual pilgrimage to Newstead Abbey. It takes place this year on April 19, the nearest Saturday to the anniversary of the poet's death.

maintained a ruinous ecclesiastical building crudely converted into an English country house. The result is a pleasing mixture.

sent it to the city of Nottingham, Newstead is today more complete and more attractive than ever in the past.

BEWARE of the horse. For parents of newly teenaged daughters here is a warning and a cautionary tale: the quadruped with an ace-high standard of living can disrupt the tranquility of your home, ruin your peace of mind and can permanently damage your bank balance.



A stable relationship: Holly and Fiji

Horsetrading blues

unmanageable and all eating their heads off. Once bought, where to keep it? Families lacking block and paddock might consider keeping their pony at livery. Pricey; but with the advantages that the animal is being stabled and looked after—by someone else—exercised in the early morning—usually available for your daughter to ride at any time.

If your girl wants to do it all herself, "grass keep" for a pony can cost between £6 and £30 a week. Then there are pony nuts, hay, sugar-beet pulp, straw and chaff.



An 18th century perspective of Newstead Abbey and its Park, in Nottinghamshire

BRIDGE

TODAY'S example hands, which occurred a few days ago, teach more than one lesson. But the chief lesson is that it is not points but shape and fit that bring in the tricks.

singleton, I made a cue-bid of four clubs, Victor said four diamonds and I said five hearts, which was raised to six.

another spade ruff. I then led dummy's last diamond, East played the King, I ruffed with my Ace of hearts, and West followed suit. I was safe.

Hand A and Hand B bridge hands. Hand A: ♠K 10 8 6 3, ♥3, ♦A J 8 4, ♣K J 8. Hand B: ♠6 4, ♥K 10 8 5 4, ♦A Q J 9 6 4, ♣—.

East won led the King of spades out of turn and my partner, as was her right, forbade the spade lead.

CZECH & SPEAKE AROMATICS. MAKERS OF FINE TOILETRIES. EASTER HAMPER. We are pleased to announce a unique presentation of fine aromatics.

Normally, I feel compassion for a player who leads out of turn, but not on this occasion. East's double was a bad bid.

Collecting

Jockeyed into position

Original watercolours of the cartoons are like gold. The proof prints—copies pulled by hand from the newly made plates, with no lettering—are scarce, but at the moment they seem to command very little more than run-of-the-mill prints.

High Street wine

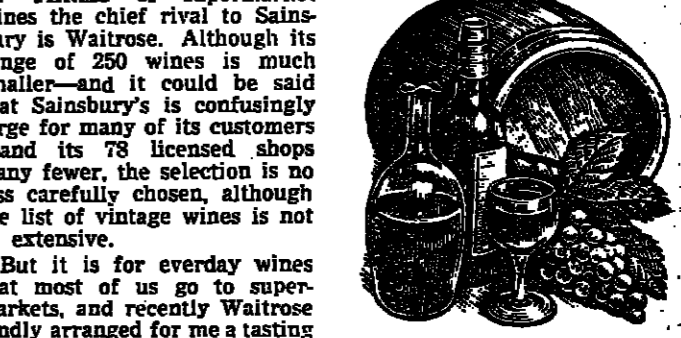
Spring spritzers and rich reds

IN TERMS of supermarket wines the chief rival to Sainsbury is Waitrose. Although its range of 250 wines is much smaller—and it could be said that Sainsbury's is confusingly large for many of its customers—and its 78 licensed shops many fewer, the selection is no less carefully chosen.

Cookery

Hatch it job

mousse flavour, use cream instead of yoghurt. Cream can be scalded with the milk. 9 oz best plain dark dessert chocolate; 1 pt milk; 1 pt Greek strained yoghurt; 1 large egg.



Tod Sloan in The Jockeys of Vanity Fair

June Field

White Carafe White — Sardegna (1 litre £2.35). There can be no complaint about the price of this wine from a Sardinian co-op.

White Carafe White — Sardegna (1 litre £2.35). There can be no complaint about the price of this wine from a Sardinian co-op.

Today Safaris to Botswana and Zimbabwe. In most African game reserves now, the package tourist is a common sight.

STUFFED EGGS IN THEIR SHELLS (serves 6) These delicious and pretty little egg snacks are good served with pre-lunch drinks or as a first course for dinner.

broader hat and lounge suit, plus umbrella. ("Roddy" won the Grand National on Father O'Flynn in 1892.)

—bowler hat and lounge suit, plus umbrella. ("Roddy" won the Grand National on Father O'Flynn in 1892.)

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White Carafe White — Sardegna (1 litre £2.35). There can be no complaint about the price of this wine from a Sardinian co-op.



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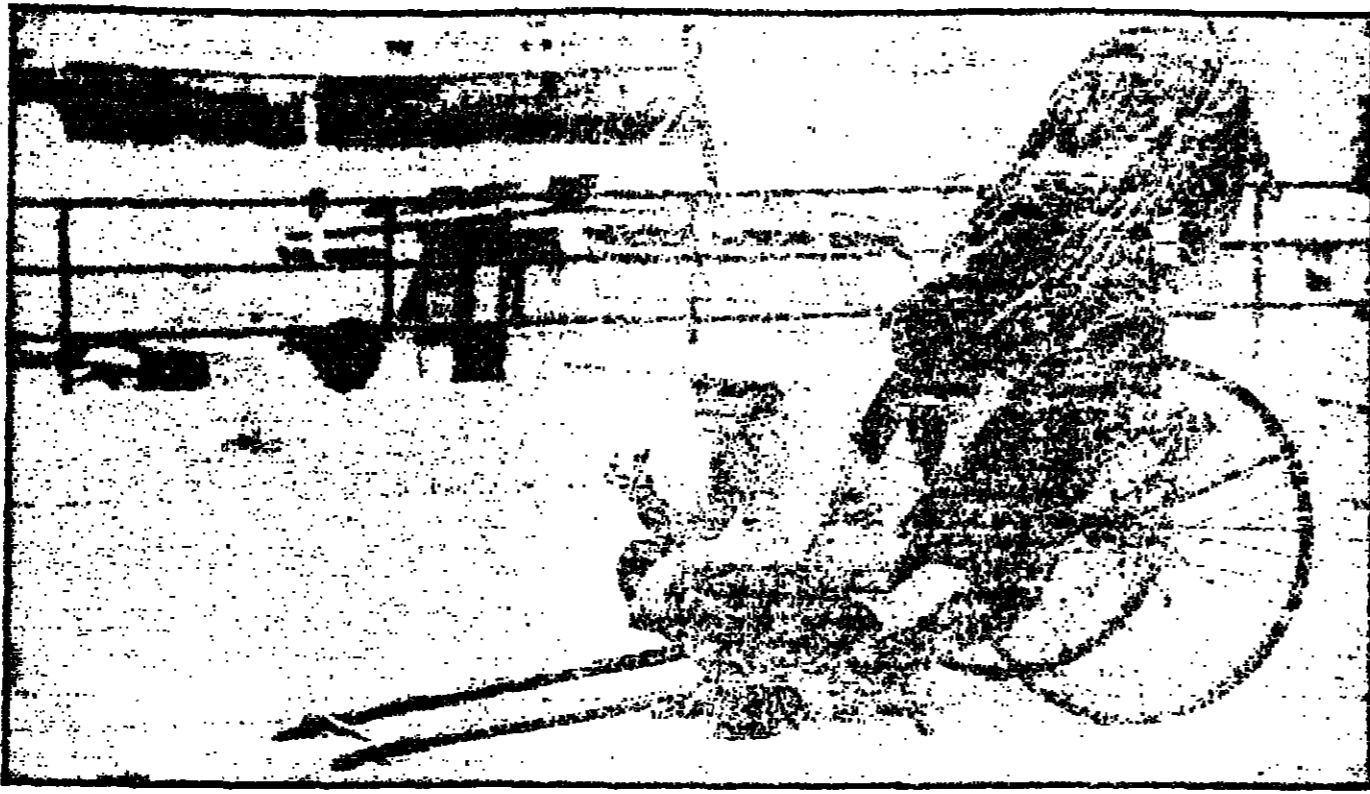
30 HIGH STREET, LONDON SW1

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DIVERSIONS

Lucia van der Post

Hong Kong: shop suey



RESTING: a rickshaw driver (left) takes time out for a Coke RUSHING: the frenetic bustle of the Hong Kong street scene (below left)



RED SALES

FOR A taste of "real" China go to at least one of the many Chinese department stores which specialise in selling products from mainland China. The most down-to-earth and, therefore, in some ways the most fun is Chinese Products at 80, Queen's Road, a member of our party picked up theatre binoculars for £1; there are basic workers' clothes, some marvellous bargains in tableware and of course, pillowcases at under £2 a pair, handtowels at about £1 each, and so on. Biggest and lushest is the one by the Star Ferry terminus on Kowloon side - go there for silks (about £7), for printed silks for trinkets by the boatful for silk blouses (a bit too "ethnic" for my taste, but good value at about £30), for an amazing selection of beautifully worked household linen, and for some genuine antique jewellery.

DYNASTY REVISITED

SINCE I was last in Hong Kong the scope and quality of the antiques has greatly improved. Much of it has to do with the opening up of China: today some really beautiful, fine furniture is coming through, which, compared with prices of fine English furniture over here, makes it seem a snitch. All the bigish Hong Kong shops and certainly all the good hotels are well used to shipping goods all over the world. The standard charge for furniture seems to be £90 for 1 cubic metre of space; this would allow you, for example, to ship back one quite large cupboard or two smaller ones.

CHOP CHOP

You will not fail to notice that some young Chinese girls sport hairstyles that put London crimpers to shame. The place to go if you need a trim or even a revamp is Le Salon (ask for Kim) at 67 Wyndham Street, near the Hollywood Road junction.

BARGAIN BASEMENT

HONG KONG being one huge factory, manufacturing for some of the smartest labels in the world, it follows that there are any number of outlets specialising in selling the overflow. The vital book listing them all is called Factory Outlets: most bookstores sell it. (Cambrey in Room 813, Swire House, specialising in Anne Klein clothes, is on most people's top list. Wintex, too, at Room 404, Pedder Building, 12 Pedder Street, Central, warrants a regular visit.)

HIGHLY SUITABLE

IF YOU expect to fill your suitcase with St Laurent look-alikes for the cost of an Oxfam number back home, then you are in for a disappointment. There can hardly be a visitor to Hong Kong who hasn't got a suit or a shirt that he never wears because he bought too fast, too cheap and too ignorantly. If you already own a suit that you are entirely happy with, then the best thing to do is to bring it with you and find out the name of a Hong Kong tailor (Shanghai ones, the pundits tell me, are better than the Cantonese) that a friend

Bamboo bird cages like the one above, left, can be bought in many street markets; a tray set, top right, £2 from Chinese Arts and Crafts, Queen's Road, Central. Below, on the left, a modern jewellery box with "antiqued" mirror £33 at the Annabelle Collection, 315 Ocean Centre, Kowloon. The antique Korean chest, below left, is from a fine selection at Kim's Gallery, 5 Hollywood Road, at prices ranging from about £500-£2,000.

Illustration: Anne Morrow

IT IS 50 YEARS since British Airways (then called Imperial Airways) first flew into Hong Kong. The journey took 10 days and in his arrival speech Captain Lock, who had captained the lap from Penang, daringly predicted that one day his children would fly there in under a week. Today it takes 16 hours. Flights leave every day and a good package seems to be the Airways' offer of a night and seven days at a hotel, starting at £220. The Apex fare (nowadays only 14 days' notice is needed) is £542 return. The Hong Kong Tourist Association, 125, Pall Mall, London SW1 will send any reader a leaflet giving all packages, air fares and other information on Hong Kong.

Hong Kong has always been one of the great places of the world to shop. It is a duty-free port, which helps. It has the Eastern approach to service so that if a customer wants something, somebody will supply it. It is a fiercely competitive, high-risk society where people fight for their share of the good life. Through Hong Kong, the most of the worldly delights that the East has to offer. Antique chests? Cut-price rubies? The latest gadget? Made-to-measure silk shirts? In Hong Kong you can find almost anything you ever wanted—and a lot you never knew you wanted.

You can also get mightily ripped-off. Keep your wits about you. Go to the Hong Kong Trade Association for advice: there are several branches, the main one is on the 25th Floor, Connaught Centre, Central (just opposite the Mandarin Hotel). HKTA has a hotline (722-5555 for shopping information), and approved members display its sign of the red junk in their windows, and it will do its best to prevent tourists being cheated.

There are roughly 11 HK dollars to the pound sterling—locals tend to divide by ten to give an approximate idea of what things cost. Watch that you are not overcharged for changing money so stick to banks. Take a flat pair of shoes, and have fun.

TO MARKET, TO MARKET

THIS IS where the real fun is to be had. You could spend your whole time in smart, air-conditioned shopping arcades but you would be missing much of the point of Hong Kong. The markets are more than just an inexpensive way of acquiring necessary goods—they are a mass entertainment. So clutch your handbags and wallets tightly, keep your sense of humour and set off.

At night, go to the Poor Man's Nightclub, down beside the Macau Ferry terminal in Central. Look out for jeans, T-shirts, anoraks, children's cotton pyjamas—none of much quality but all really cheap. Pick up Sony Walkmans for next to nothing, jokers' digital watches, cheap and vulgar toys that the children will love—all for a song.

On Kowloon side, go to Temple Street market. This is much bigger and even livelier. Here young men sit shamelessly offering to make up watches to look like any of the famous names in the coloured photographs they display in front of them (no, I don't approve either, but I'm just a reporter telling how it is). At prices ranging from £10 to £25 for a look-alike Rolex, they seem a snitch. If a fake is not your line, then you can go for a really good-looking watch with very reliable innards for well under £20.

More inexpensive Walkmans, children's clothes (the markets are where any local resident with any sense buys the staples of the children's wardrobes),

The shops and stalls have gone more up-market since I was last there. It is still the place for household linens—wonderful sheets, either completely plain or hand-embroidered for £22 a pair. You can even buy pure linen ones at about £50 a pair. Look out for Lacoste and Polo Lauren T-shirts (remember many of the big names have factories in Hong Kong so these could be genuine) at about £4 each. Much of Europe's ski-wear is also made in Hong Kong so stock up if you are heading for the snow. Remember there will be fakes around so keep your wits about you. Haggle if you have the stomach for it and remember that the merchandise changes all the time. It may be Lacoste and jeans today, silk shirts and anoraks tomorrow.

Cloth Alley, Wing on Lane is the place for materials—everything from velvet to cotton, men's suitings and shirtings, Vionella at less than £2 a yard, cottons at about £1 a yard. Don't buy the imported stuff—you can end up paying more than at Peter Jones.

The Lanes, running between Queen's Road and Des Voeux Road in Central is the place for really cheap luggage, handbags, T-shirts, jumpers, cotton Chinese jackets et al. Here you must compare prices and haggle a bit. You can buy a copy of a Gucci or Hermes handbag for a twentieth of the price of the real thing and I bought a beautiful silk ties (choose the patterns carefully) at about £1 each. The Jade market has moved since I was last there. It is now

LIVE WIRES

THE BEST advice I have to offer on this front is to do as much homework before you leave as possible. Take with you an up-to-date copy of prices at your local Rumbelows, Currys or whatever, decide on exactly which models you want, and compare prices in Hong Kong in at least three different shops.

Always ask for a receipt with the serial number written on it. Also check that the serial number matches the one on the equipment you have bought. You will also need a worldwide guarantee.

Hong Kong may not be the bargain basement it once was, but there are still plenty of bargains to be had. In our group somebody bought a Canon Snappy camera for £20—I had checked its price in the duty-free shop at London airport, where it was £52.95. The Konica Pop 10 was selling for about £28—here, at Dixons, it costs £39.99.

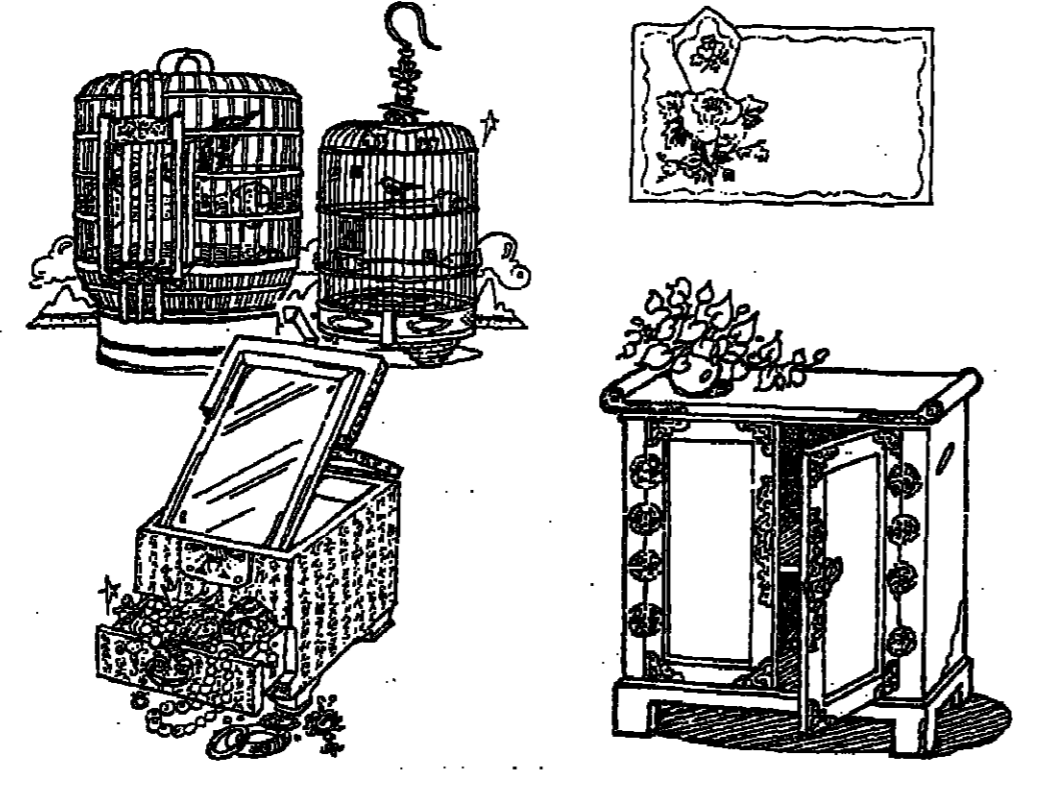
The pace of change in Hong Kong is fast, so it seems likely that the best bargains are to be had in newly superceded models. It is also a good place to find the very latest gadget before it reaches the West. Nathan Road is the area for electronics, but keep your wits wild about you. Delon, in the Ocean Centre terminal, is a good, reliable, rather smart, electronics-cum-photography store that specialises in the very latest thing and won't rip you off.



Child's pyjamas with 'squeaky' patch from Temple Street night market. £2.50.

tennis socks allegedly by famous names like Fila and Dunlop for £1 a pair, shirts at £4 or £5 each, baggy trousers rather crudely made but very cheap, jackets galore.

Stanley Market is the place to go during the day. On the south side of the Island you can go by bus (much more fun than the air-conditioned limousines the taipans travel in). Catch a number 6 at the bus terminal in Exchange Square in Central and you will get there for 20p.



Marconi, Marie Curie, Gustav Dalén, Henry Ford. Who's the odd one out?

Grazie, Signor Marconi for your radio. Merci, Madame Curie for radium. Thanks, Henry Ford for your motors. Tack, Dr. Gustav Dalén for the Aga cooker. No, Dr. Dalén is not the odd one out. Yes, he is the only Swede. He was also, like Guglielmo Marconi and Marie Curie, a Nobel Prize-winning scientist. You've probably never heard of him, so who was Gustav Dalén? He is the man to whom thousands of seamen owe their lives; because he invented a thing called Dalén's Sun Valve that turns a lightship's lights on by night and puts them out by day, automatically. That's why they gave him the Nobel Prize.

He was the scientist so dedicated to his work that he was blinded in an explosion during one of his experiments, yet he still went on later to complete the experiment.

He was also the man who invented the only cooker in the world that roasts, bakes, boils, steams, simmers, fries, braises, grills, casseroles and toasts, yes toasts (bet you thought an Aga couldn't, didn't you?) perfectly. More than that, though, what Dr. Dalén did in 1922 was to reinvent the cooker.

He simply couldn't find a cooker in existence to satisfy his exacting scientific standards. So combining his knowledge of combustion, metallurgy and nutrition with kitchen common sense, he invented the Aga.

Despite the advent of microwaves and fan ovens, there is still nothing in the world that cooks food better than an Aga.

Remembering what a pain it is waiting for the oven to heat up, Gustav Dalén made sure you never have to do that with his Aga. It's ready anytime.

Then, pondering the inscrutable riddle of the boiling-over pan, he came up with a simmering plate big enough to hold three saucepans that won't let them boil over.

The boiling plate, though, boils a pint of water faster than an electric kettle. It holds three saucepans, too.

More interesting, perhaps, is the fact that our Dr. Dalén just might have been psychic.

Well, can you think of any other cooker that runs throughout the day on cheap rate overnight electricity? Believe us, there isn't one.

To Gustav Dalén, making a cooker run on the principle of stored heat was just the most efficient way to make it. It still is.

But how was he to know the Central Electricity Generating Board would come up with 'night storage' if he wasn't psychic?

Anyway, since you can now buy an electric Aga (as well as one that runs on natural gas, LPG, oil or solid fuel), it's the only cooker in the world that can run on nothing but off-peak electricity.

Impressed? We thought you might be. If you'd like to see a live Aga, any of our distributors can show you one. Or you can write to us at Aga, Freeport, Kettle, Telford TF1 3BR and we'll tell you all about them.

Oh yes, who is the odd one out? It's Henry Ford. You know him. He's odd because he was no scientist. He was just clever enough to sell cars by the million, saying: "Any colour you like so long as it's black."

Well, you can buy an Aga in green, blue, red, brown, cream, white or even gloriously black vitreous enamel.

Psychic or not, the only really odd thing about Gustav Dalén is that his name wasn't Gustav Aga.



AGA IT'S A WAY OF LIFE.





ARTS

Sculpture at the Royal Academy

A bizarre Icarus rises

LOVE, DEATH and high theatre mark the Royal Academy's spectacular tribute to a sculptor whose reputation has been dead for over 50 years. Alfred Gilbert, Sculptor of Eros, 1874-1954 (until June 28), is a triumph of design and scholarship. Spotlight against black drapery and framed in a doorway, the first sculpture sets the mood. A naked youth swoons under the kiss of a great, heavy-winged angel whose voluptuously curved hair curves across his marble flesh. Far more bizarre works are to come, yet at once we discover a disturbing, even repellent, but fascinating artist.



"Icarus," made in 1884

Like the arabesques which Alfred Gilbert loved to fashion in his jewellery, his career rose and fell, and rose again. The Shaftesbury Memorial, better known as Eros, marks the first peak. Yet already the flaws which were to bring ruin were in evidence. Unveiled in 1893, the commission had taken seven years; it flew in the face of what Gilbert's patrons desired. The public adulation in which Gilbert had frolicked throughout his 30s, like a pinto in the jaws of the pedestal, began to dry up. Gilbert was heading for bankruptcy, exile and public disgrace.

Gothic art, we have a lady engulfed by a briar-rose, spreading like some monstrous graft over her passive body. Suffocating bondage is a repeated theme. Britannia and Saint George are imprisoned in fantastic armour, fashioned with exquisite skill by Gilbert the jeweller. The central bronze panel for *Death, The Door of Life*, shows Love Bound by Whispering Angels. Could one find anything more macabre than this monument to a doctor and his crazed wife, with the receptacle cut in the lady's head to receive the ashes of the sculptor she adored?

Kedleston Hall Trusty friends needed

KEDLESTON HALL in Derbyshire, the mansion built by Robert Adam for the Curzon family, is passing into the hands of the National Trust. A deal has been put together which should enable the Trust to take on the hall, the contents of the house, and the park, but it still needs to raise another £2m by a public appeal.

Saleroom The British are coming



"Femme au lit," a 1927 work by Tsuguharu Foujita

THE RICH young supplies from the City's money and commodity markets, plus the stock-brokers riding high on the current boom and the coming Big Bang, could well be spending some of the money that escaped the Chancellor's claw this week at Sotheby's and Christie's auctions of Impressionist and modern paintings next week.

considered attractive second division artists five years ago are now fetching exceptional prices as new collectors compete. For example, the work of Gustave Caillebotte featured prominently in the shows organised by the 'Impressionists' in the Paris of the 1870s and 50s when they were regarded as beyond the pale by the Academy. But this century he has made a negligible impact. In 1962, Sotheby's sold the Pauline Cave collection, featuring Caillebotte, for some remarkable prices and as a result, owners of Caillebotte's have been sending their paintings to the auction houses.

B. A. Young and Paul Driver twirl the radio dials

Irish sounds stylish

Reputation keyed to major

ST PATRICK will win this year's Championship unless St George pulls out some unexpected bounties. Against St Andrew's and St David's three, St Patrick netted four last 4 days in the week, one of them came twice on consecutive days. This one, Harry Parson's *The Ornamental Pear Tree*, was not consciously about anything more important than a neighbour's battle over the tree, and it was so stylishly written and played under Peter Kavanagh's direction that I would have been delighted to hear it twice more.

meet as they tend the graves of their respective sons, both murdered, and fall in love. Bert is an English ex-soldier, a widower, a Protestant, his dead son a UDR volunteer, his living son a vengeful Ulster policeman with a rocky marriage. Theresa is an Irish widow, a Roman Catholic, her dead son a soldier by the army, her son-in-law doing life for murder, her daughters respectively discontented and resigned. Their progress is followed, rather sluggishly, with much domestic detail like the sound of tea being poured out. Finally, the children have all been driven to unnecessary elders' affairs, which itself dies sadly away.

JOHN MARLOW RHYS is a British composer of the same generation as Britwistle and Maxwell Davies—he was 50 last year—but unlike those precocious luminaries he has achieved only gradual recognition and among a small circle. He has had relatively few performances, but then he is a slow, ultra-fastidious worker who, as far as I know, destroys or withholds as much of his output as he lets stand; he has also been occupied with teaching for most of his professional life.

of *Two Portraits*, performed by the ensemble Spectrum under Guy Protheroe. The last of these is a fetching exercise in contrast, allegedly between Taoist distinct of Yang and Yin, though one hardly needs to know that. The two portraits are delicately sketched even in the pictured mood is violent.

this stylised coda, though, is an ominous violin part whose vibrato becomes expressionistic; thus are the games of the piece called to account, but the overall impression of speed and skill remains.

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Records Off the beaten track

AGNARD: GUERCOEUR. Demigny, Ferrer, Faniard, Bunel, Scharry et al. Aubin. Bourg BG 4021-22 (two mono records).

one begins to think—the most distinguished composer to emerge from Vincent d'Indy's school. In his period he was respected as a sternly serious musician; but among the musically conservative French that was not a warm recommendation, nor did it attract the younger enthusiasts of the new Debussy/Ravel wave.

one suddenly recognises the conception of the orchestra that Messiaen took over (compare his *Turangalila*)—embellished wind-patterns, romantic strings, independent percussion-games. Do Messiaen's more overtly formal exercises in that style have much more expressive weight?

The new Boulez performance of Berio's colossal *Sinfonia* of 1968 needs just three comments. It includes Berio's finale, as the composer's own CBS recording came too soon to do, and that finale is a calculatedly effective rounding-off of the original piece; Boulez's orchestra is less clever than Berio's NYCP at making the musical quotes that supply the fabric of the great collage-movement instantly recognisable, and the spoken texts in the new recording are allowed to cover the music rather too often; but Boulez gives us also the later, rhetorically gripping *Eindrücke*.

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